

this capital city, whose citizens of all classes had come to have for him a genuine and true affection; of his unflagging interest in and valuable service to the Union soldiers—veterans of the Civil War—with whom his name is a household word from one end of the land to the other; of his sincere belief in and strong advocacy of prohibition and equal suffrage in days when these causes were less popular and it took more courage to stand for them than now. But I will not say more. Most of these subjects have already been covered, and all, I am sure, will be covered by other speakers, who have had the advantage of a more intimate association than I with Senator GALLINGER during the many years of his congressional career.

Reviewing his life and summing up his qualities, I know of no words that may more fittingly be applied to him than those he himself spoke on a similar occasion of his long-time friend, Hon. James S. Sherman, former Vice President of the United States:

He was in the truest sense a patriot, loving his country and its institutions, and devoted to the happiness and welfare of all classes of its people. He was broad minded and large hearted, incapable of a meanness, and filled with sympathy and love for his fellows. Such a life surely did not end when death came. Rather let us believe that it was the beginning of a higher and better existence, and that the earthly activities of our friend were but the prelude to a life of greater beauty, of grander aspirations, and of nobler achievements.

It seems to me that the philosophy of Senator GALLINGER's life is nowhere better expressed than in the beautiful lines of Henry Van Dyke:

Let me but live my life from year to year
With forward face and unreluctant soul;
Not hastening to, nor turning from, the goal;
Not mourning for the things that disappear
In the dim past, nor holding back in fear
From what the future veils; but with a whole
And happy heart, that pays its toll
To Youth and Age, and travels on with cheer.
So let the way wind up the hill or down,
Though rough or smooth, the journey will be joy;
Still seeking what I sought when but a boy,
New friendship, high adventure, and a crown.
I shall grow old, but never lose life's zest,
Because the road's last turn will be the best.

Mr. WOODS of Iowa. Mr. Speaker, in speaking to the resolution offered I feel that I voice the sentiment of the great liberty-loving people of the Central West in saying that they regret deeply the death of Senator GALLINGER and are united in honoring his memory.

Senator GALLINGER served well the people of his State. He did more, he served the people of every State in the Union. He founded that service on truth, righteousness, and a belief in equal treatment to all. His simple faith knew no distinction between the lofty and the lowly. He was the Republican leader of the Senate, not for New England only, but for the entire country as well. His counsel was keeping his party free alike from the snare of government by centralized autocratic bureaucracy and the delusion of anarchy inspired by the belief that liberty and rights of citizens can be protected without government.

By training and experience Senator GALLINGER was especially fitted to render impartial and unprejudiced public service. The 81 years he lived spanned the interval between a Nation staggering under the menace of disunion and a Nation mighty in the perfect unity and singleness of purpose which he helped to maintain.

During that interval he toiled to harmonize the discordant elements among the people of his country. He was not one of those who made patriotism an excuse for brutal excesses or arbitrary tyranny. Patriotism with him meant greater love of home, greater love of humanity and the ultimate brotherhood of man. It is therefore peculiarly fitting that on this Sabbath day we rest from our legislative work to do him honor.

Senator GALLINGER stood apart from those who believe that government can do no wrong, and while in other countries that element has decreased in recent years, in our own country their numbers have increased. They are dangerous in any country, and if predominant will destroy any form of government where the people rule. They may leave the shadow, but the substance of self-government—individual liberty and the rights of citizens—will be gradually lost.

The greatest public officials are true servants of the people, faithful to that ideal. They do not ride the wave of thoughtless popular approval, but steadfastly pursue that course which serves the permanent interests of all. Senator GALLINGER stood firmly for the inalienable sovereignty of the people and their inherent rights. He was conspicuous in abiding by the principle that government should exist for the sake of the people and not the people for the sake of the government, and that the holders of capital also should be wage earners and wage earners holders of capital.

Success crowned his public career, a success that is shared by every citizen of the United States, because it was founded on service for others. Believing that public office was merely a greater opportunity for larger service to the people, Senator GALLINGER was a leader to be loved and trusted. It is through the influence of such men that representative government, that liberty, that freedom of speech and press are maintained.

He believed that the producers of the world's wealth, not the spenders and manipulators of wealth, should direct the conduct of national affairs. He lived and worked to conserve and improve the political, economic, and social structure of the Nation. Always he opposed unbridled license, and with strength and patience fought to maintain the liberty of the people under the Constitution.

His final resting place is in the hills of New Hampshire that he loved, and ever will be held in tender memory and respect not only by those who knew him as a neighbor and friend but also by a Nation which knows the impress of his strength of character, his magnanimity, his self-control, and his fidelity to high principle and duty throughout a lifelong public career.

EXTENSION OF REMARKS.

Mr. BURROUGHS. Mr. Speaker, in view of the fact that several gentlemen wished to have an opportunity to speak to-day, but for some reason or another were unable to be here, I ask unanimous consent that they have leave to extend their remarks in the Record.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

ADJOURNMENT.

Therefore, in accordance with the resolution heretofore adopted, the House (at 4 o'clock and 30 minutes p. m.) adjourned until Monday, January 20, 1919, at 12 o'clock noon.

SENATE.

Monday, January 20, 1919.

The Chaplain, the Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we thank Thee that in this great spiritual empire we have learned to think of national values in terms of Thy law, that that which is dear to us is related to Thy kingdom, and that the goal of our national life is the establishment of the kingdom of truth and righteousness among men. As we come again to address ourselves to the tasks of the day we invoke Thy blessing, that the spirit of God may guide us in the discharge of the duties of the day, and that at its close we may have the comfortable satisfaction of having fulfilled God's will in us. We ask now Thy blessing. For Christ's sake. Amen.

The Secretary proceeded to read the Journal of the proceedings of the legislative day of Tuesday, January 14, 1919, when, on request of Mr. SHEPPARD and by unanimous consent, the further reading was dispensed with, and the Journal was approved.

SENATOR FROM COLORADO.

Mr. THOMAS. Mr. President, I have received and have been requested to present the credentials of the Senator elect from the State of Colorado.

The credentials were read and ordered to be filed, as follows:

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 5th day of November, 1918, LAWRENCE C. PHIPPS was duly chosen by the qualified electors of the State of Colorado a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th of March, 1919.

Witness: His Excellency, our Gov. Gunter, and our seal hereto affixed at Denver, this 31st day of December, in the year of our Lord 1918.

JULIUS C. GUNTER,
Governor.

By the governor:
[SEAL.]

JAMES R. NOLAND,
Secretary of State.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed a bill (H. R. 14078) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1920, and for other purposes, in which it requested the concurrence of the Senate.

The message also transmitted to the Senate resolutions of the House on the life, character, and public services of Hon.

JACOB H. GALLINGER, late a Senator from the State of New Hampshire.

The message further transmitted to the Senate resolutions of the House on the life, character, and public services of Hon. JOHN A. STERLING, late a Representative from the State of Illinois.

PETITIONS AND MEMORIALS.

Mr. CALDER. I present a memorial of the Legislature of the State of New York addressed to the Senate of the United States, touching Federal woman suffrage. I ask that it be printed in the RECORD.

The memorial is as follows:

STATE OF NEW YORK,
IN SENATE.
Albany, January 13, 1919.

Whereas the women's suffrage amendment has long been pending before the United States Senate; and
Whereas this amendment has been passed by the House of Representatives; and

Whereas by an overwhelming majority the citizens of New York State have enfranchised New York State women; and
Whereas the women of the United States have rendered devoted and patriotic service during the trying period of the war; and
Whereas the great governmental, industrial, and social progress before this country is of the deepest interest to women citizens as well as to men: Therefore be it

Resolved (if the assembly concur), That we urge the two United States Senators from New York State to do everything in their power to secure the passage of the Federal amendment in the Senate; and

We furthermore express our earnest hope that the United States Senate as a body will give the two-thirds vote necessary to pass the Federal amendment for ratification by the various State legislatures at once.

By order of the senate:

ERNEST A. FAY, Clerk.

In assembly: January 15, 1919. Concurred in without amendment.
By order of the assembly:

FRED W. HAMMOND, Clerk.

Mr. CALDER. I also present a petition of the Traffic Club of New York, urging the early return of the transportation systems of the country to the control and management of their owners. I move that it be referred to the Committee on Interstate Commerce.

The motion was agreed to.

Mr. KIRBY. I present a memorial of the General Assembly of the State of Arkansas, asking the Senate and House to pass the Federal amendment permitting woman suffrage. This resolution was passed by unanimous vote by the two houses of the Arkansas Legislature and shows the unanimity of sentiment there. I ask that it be printed in the RECORD.

The memorial is as follows:

Whereas the Federal amendment for woman suffrage has passed the lower House of Congress and is pending in the Senate; and
Whereas President Wilson, in a notable address, urged the Senate to pass this measure as an essential part of the great program of world democracy and in recognition of the signal services rendered by women throughout the war; and
Whereas we recognize the right, justice, and expediency of this measure: Therefore be it

Resolved, That the Senate of the Forty-second General Assembly of the State of Arkansas, in regular session assembled, memorialize the United States Senate to pass the Federal amendment for woman suffrage at once, that the several legislatures now in session may be given the opportunity to ratify the same.

Resolved further, That a copy of these resolutions be sent to Senators ROBINSON and KIRBY, with the request that they be read into the RECORD.

Mr. STERLING. I present a Senate concurrent resolution of the Legislature of South Dakota relating to the enactment of the woman suffrage amendment. I ask that it may be printed in the RECORD.

The resolution is as follows:

CERTIFICATE.
UNITED STATES OF AMERICA,
STATE OF SOUTH DAKOTA,
SECRETARY'S OFFICE.

I, C. A. Burkhart, secretary of state, do hereby certify that the annexed senate concurrent resolution was duly passed by the Sixteenth Session of the Legislature of the State of South Dakota.

In witness whereof I have hereunto set my hand and affixed the great seal of the State of South Dakota, at the city of Pierre, January 13, 1919.
[SEAL.] C. A. BURKHART,
Secretary of State.

Senate concurrent resolution.

Be it resolved by the Senate of the State of South Dakota (the House of Representatives concurring), Believing that the staunch patriotism and indispensable services of our mothers, wives, and daughters during the prosecution of the war entitles these noble women to all the rights and privileges a grateful country can bestow, we urgently request the Senate of the United States to immediately adopt the national suffrage amendment; be it further

Resolved, That copies of this resolution be sent to the Hon. THOMAS STERLING and to the Hon. EDWIN S. JOHNSON, with the request that it be read into the CONGRESSIONAL RECORD.

Mr. STERLING. I also present resolutions and a memorial of the Farmers' Equity Union Creamery and Mercantile Ex-

change, covering a number of subjects, such as the President's efforts to prevent future wars, cooperation with the Food Administration, and relating also to Federal railroad control for the period of five years. I ask that the resolutions be printed in the RECORD and referred to the Committee on Interstate Commerce.

There being no objection, the resolutions were referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

Resolutions and memorial adopted by the Farmers' Equity Union Creamery and Mercantile Exchange in convention assembled at Aberdeen, S. Dak., January 14 and 15, 1919:

We, the resolution committee, beg to report the following resolutions:

Whereas we realize that our beloved President is engaged in the most momentous undertaking in all history, we pledge to him our undivided support, especially in his effort to prevent future wars.

To the Food Administration and the Government reconstruction work we continue to offer our full cooperation.

We believe that Congress should try to relieve the uncertainty existing between Federal and State laws, whereby both State and Federal antidiscrimination laws become a partial failure.

Whereas the United States Government has taken over and now has control of the operation of the railways; and

Whereas we believe such action to be to the advantage of the Nation and to the producers therein, from both a military and economic standpoint: Therefore be it

Resolved, That we heartily indorse the recommendation of the Director General of Railways that railways, telegraph and express companies remain under Federal control for five years, so a fair test may be given Government control and also for the steadying effect it will have upon the industrial fabric of the Nation during reconstruction.

H. A. MELGAARD,
R. C. CHRISTENSEN,
GEO. N. MILLER,
Committee.

Whereas the people have passed the constitutional amendments, we pledge our undivided support in developing them.

Whereas the constitutional amendment relative to state assuming control of the possibilities of the Missouri River for power was carried at the last general election—

Resolved, That we approve and favor a survey to determine the feasibility of the development of the Missouri River, and in the event such development appears feasible the development thereof by joint action of the Federal Government and the several States through which the Missouri River flows, to the end that the ownership, control, and operation shall be retained by the governments so cooperating.

H. A. MELGAARD,
R. C. CHRISTENSEN,
GEO. N. MILLER,
Committee.

Mr. NELSON presented telegrams in the nature of petitions from sundry citizens of St. Paul, White Earth, and Duluth, all in the State of Minnesota, praying for an increase in the salaries of Federal employees, which were referred to the Committee on Appropriations.

Mr. LODGE presented a petition of Local Division No. 19, Ancient Order of Hibernians, of Middlesex County, Mass., praying for the freedom of Ireland, which was referred to the Committee on Foreign Relations.

Mr. THOMPSON presented petitions of Local Lodge No. 610, International Brotherhood of Boiler Makers, Iron Ship Builders and Helpers of America, of Kansas City; of Local Lodge No. 24, International Association of Machinists, of Topeka; of Walnut Valley Lodge, No. 420, Brotherhood of International Boiler Makers, Iron Ship Builders and Helpers of America, of Arkansas City; of Local Lodge No. 340, International Brotherhood of Boiler Makers, Iron Ship Builders and Helpers of America, of Herington; of Local Lodge No. 277, International Brotherhood of Railway Carmen of America, of Parsons; of the Federation of the Mechanical Department of the Santa Fe Railway, of Kansas City; of Local Lodge No. 184, Brotherhood of Railway Clerks, of Pittsburg; and of Local Lodge No. 370, International Brotherhood of Boiler Makers, Iron Ship Builders and Helpers of America, of Emporia, all in the State of Kansas, praying for the proposed extension of Federal control of railroads, which were referred to the Committee on Interstate Commerce.

He also presented a petition of System Council, No. 32, International Brotherhood of Blacksmiths and Helpers, of Topeka, Kans., praying for the proposed extension of Federal control of railroads and telegraph and telephone lines, which was referred to the Committee on Interstate Commerce.

CLAIM OF MARCUS P. NORTON.

Mr. TOWNSEND, from the Committee on Post Offices and Post Roads, to which was referred the bill (S. 127) for the adjudication and determination of the claims arising under joint resolution of July 14, 1870, authorizing the Postmaster General to continue in use in the Postal Service Marcus P. Norton's em-

bined postmarking and stamp-canceling hand stamp patents, or otherwise, reported it without amendment and submitted a report (No. 653) thereon.

PUBLIC BUILDING AT ELDORADO, KANS.

Mr. CURTIS. From the Committee on Public Buildings and Grounds I report back favorably without amendment the bill (H. R. 12881) to increase the cost of the public building at Eldorado, Kans., and I submit a report (No. 652) thereon. The bill merely authorizes an increase in the limit of cost of the public building at Eldorado, Kans., by \$35,000. The population of Eldorado has grown from 3,500, when the original bill was passed, to 18,000. I ask unanimous consent for the immediate consideration of the bill.

The VICE PRESIDENT. Is there any objection?

Mr. SHEPPARD. What is the request?

Mr. CURTIS. I ask unanimous consent for the immediate consideration of the bill reported from the Committee on Public Buildings and Grounds. It proposes to increase the limit of cost of the public building at Eldorado, Kans., by \$35,000. As I have said, the town has increased in population from 3,500, when the original bill was passed, to 18,000 now. The bill is recommended by the department and has been unanimously reported by the committee.

Mr. SHEPPARD. I have no objection to the bill; but I gave notice last week that I would object to any variation of the regular order on Calendar Monday. Inasmuch, however, as I did not object to taking up the potash question, I shall make an exception in the case of the Senator from Kansas, and also in the case of the Senator from Nevada [Mr. HENDERSON], but after that I shall endeavor to enforce the rule.

The VICE PRESIDENT. Is there objection to the consideration of the bill reported by the Senator from Kansas?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That section 4 of the act of Congress approved March 4, 1913, authorizing and directing the Secretary of the Treasury to contract for the acquisition by purchase or otherwise of a site and to contract for the erection and completion thereon of a suitable building, including fireproof vaults, heating and ventilating apparatus, and approaches, complete, for the use and accommodation of the United States post office and other Government offices at Eldorado, Kans., be and the same is hereby amended so as to increase the limit of cost for said building from \$60,000 to \$95,000.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

MINING CLAIMS IN ALASKA.

Mr. HENDERSON. From the Committee on Mines and Mining I report back favorably, with amendments, the joint resolution (S. J. Res. 198) to suspend the doing of assessment work on mining claims in Alaska for the years 1917, 1918, 1919, and 1920, and extending to that Territory the provisions of public resolution No. 10, Sixty-fifth Congress, approved July 17, 1917, and public resolution No. 12, Sixty-fifth Congress, approved October 5, 1917, and for other purposes, and I submit a report (No. 651) thereon. I ask unanimous consent for the immediate consideration of the joint resolution.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution.

The amendments were, on page 1, line 7, after the word "seventeen," to insert "and amendments thereto"; on page 2, line 2, after the word "eighteen," to insert "and"; in line 3, after the word "nineteen," where it occurs the first time, to strike out "and nineteen hundred and twenty"; and in line 15, after the word "seventeen," to insert "and amendments thereto," so as to make the joint resolution read:

Resolved, etc., That the provisions of public resolution No. 10, Sixty-fifth Congress, approved July 17, 1917, and the provisions of public resolution No. 12, Sixty-fifth Congress, approved October 5, 1917, and amendments thereto, be, and they are hereby, extended to the Territory of Alaska. The laws requiring assessment work to be made upon mining claims in the Territory of Alaska for the years 1917, 1918, and 1919 are hereby suspended for such period; and no forfeiture or relocation of any mining claim or mining location in said Territory shall be permitted or adjudged for failure to do or have done the annual assessment work thereon for either of said years; and no mining claim or location therein shall be held to be forfeited or subject to relocation for any failure to have done the annual assessment work thereon where the owner or anyone for him complied with the provisions of public resolution No. 10, Sixty-fifth Congress, approved July 17, 1917, or public resolution No. 12, Sixty-fifth Congress, approved October 5, 1917, and amendments thereto.

The amendments were agreed to.

The joint resolution was reported to the Senate as amended, and the amendments were concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A joint resolution to suspend the legal requirements of assessment work on mining claims in Alaska for the years 1917, 1918, and 1919, and extending to that Territory the provisions of public resolution No. 10, Sixty-fifth Congress, approved July 17, 1917, and public resolution No. 12, Sixty-fifth Congress, approved October 5, 1917, as amended, and for other purposes."

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NELSON:

A bill (S. 5389) authorizing the Secretary of War to donate to the municipalities of Alexandria, Elbow Lake, Fairfax, and Gibbon, in the State of Minnesota, captured German cannon, cannon balls or shells, and gun carriages, condemned United States cannon, cannon balls or shells, and gun carriages; to the Committee on Military Affairs.

By Mr. THOMPSON:

A bill (S. 5390) granting a pension to James Green (with accompanying papers); to the Committee on Pensions.

By Mr. HALE:

A bill (S. 5391) authorizing the Secretary of War to donate to the city of Portland, Me., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. KING:

A bill (S. 5392) to fix the price at which wool held by the Quartermaster General of the Army may be sold; to the Committee on Military Affairs.

By Mr. SHERMAN:

A bill (S. 5393) granting a pension to James D. Davis; to the Committee on Pensions.

RIVER AND HARBOR APPROPRIATIONS.

Mr. LENROOT submitted an amendment intended to be proposed by him to the river and harbor appropriation bill, which was referred to the Committee on Commerce and ordered to be printed.

AMENDMENTS TO APPROPRIATION BILLS.

Mr. JONES of Washington submitted an amendment proposing to give the consent of Congress for the removal of restrictions on alienation of Indian lands by the Legislature of the State of Washington pursuant to treaties with the Indians of Washington, intended to be proposed by him to the Indian appropriation bill, which was referred to the Committee on Indian Affairs and ordered to be printed.

Mr. KING submitted an amendment providing that all honorably discharged soldiers and sailors shall be included in the promotion of training and instruction by the public schools authorized by subdivision 9 of section 1 of the act of May 9, 1918, etc., intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Military Affairs and ordered to be printed.

PUBLICITY OF DEPARTMENTAL ACTIVITIES.

Mr. SHERMAN. I offer the resolution which I send to the desk, which I ask to have read and referred to the Committee on Printing.

The resolution (S. Res. 419) was read and referred to the Committee on Printing, as follows:

Resolved, That the newspapers, magazines, and other instrumentalities of a free press serve adequately all publicity purposes in the transmission of news and its communication to the public; that the practice which has developed of various Government departments of publishing what is in effect a newspaper or a periodical which ostensibly reports to the public news from that department has become a system of promoting various economic proposals, schemes for extending the power of the department or bureau concerned, and securing increased appropriations; it is a menace to the free press of the country, a burden to the taxpayer thereof, and serves no useful purpose in promoting efficient, economic, or sound principles of government.

Resolved further, That the Senate Committee on Printing be, and is hereby, directed to investigate the number of such periodicals or papers published by the departments, bureaus, boards, and commissions, the number of persons employed therein, and the estimated cost of the same, and report such matter to the Senate for its further consideration.

ADDRESSES AT OPENING OF PEACE CONFERENCE.

Mr. FLETCHER submitted the following resolution (S. Res. 420), which was read and referred to the Committee on Printing:

Resolved, That the following be printed as a public document, to wit:

- (1) Address by President Raymond Poincaré, of France, at the opening session of the peace conference in Paris January 18, 1919.
- (2) Address of Woodrow Wilson, President of the United States of America.
- (3) Address of David Lloyd George, prime minister of Great Britain.
- (4) Address of Baron Sonnino, foreign minister of Italy.
- (5) Address of Georges Clemenceau, premier of France, accepting the presidency of the council.

BOARD OF VISITORS TO NAVAL ACADEMY.

The VICE PRESIDENT. In accordance with the statute in such cases made and provided, the Chair appoints the Senator from Maryland [Mr. SMITH], the Senator from Utah [Mr. KING], the Senator from Washington [Mr. POINDEXTER], and the Senator from Maine [Mr. HALE] members of the Board of Visitors on the part of the Senate to visit the Naval Academy, Annapolis, Md.

CONSCRIPTION OF SOLDIERS.

Mr. SHERMAN. Mr. President, I present a communication from Hannis Taylor, of Washington, D. C., an inquiry on the writ of habeas corpus, whether it has been practically suspended or not. I should like to have the two papers printed at length but not read. I consider it a very material inquiry under present conditions.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., January 8, 1918.

HON. LAWRENCE Y. SHERMAN,
Washington, D. C.

DEAR SENATOR: It is a comfort to me to know that you feel a deep concern for our suffering soldiers now employed on police duty in Russia. There will soon be an imperious demand from the American people that all conscripted soldiers so employed anywhere in Europe be returned immediately to their homes. The last notable outcry of the fearless and lamented Col. Roosevelt gave eloquent expression to that demand. Would not the desired end be greatly advanced if the fact could be emphasized that all of our conscripted soldiers now in Europe are held there in open violation of section 8, Article I, of the Constitution?

I inclose an open letter to the Secretary of War, giving my reasons for that conclusion, which a censored press is withholding from the American people, who have a right, at least, to read and consider it. As our CONGRESSIONAL RECORD is now our only uncensored journal, will you be good enough to have that open letter, together with this, inserted in the RECORD. In that way you will be relieved entirely of any responsibility for any views I have expressed. I simply ask that the American people be given a chance to consider a matter in which the hearts and homes of many of them are deeply involved.

The Robert Cox referred to in the open letter is a young man taken by conscription from the ranks of our laboring people, who has not been heard from since March 28, 1918. His anxious father and mother have written continuously without results to the address given to them by The Adjutant General's office. I inclose four letters returned to them because their son could not be found at the address so given. To my urgent letter to the Secretary of War, dated December 21, 1918, no reply whatever has been made. Will you be good enough to aid me in the effort to ascertain from the War Department whether Robert Cox is living or dead, so that his father and mother may know the truth. With great respect,

Sincerely, yours,

HANNIS TAYLOR.

CONSCRIPTION OF OUR LABORING MASSES FOR SERVICE ABROAD MUST END AT ONCE AND FOREVER.

Prior to the present war both the English and American constitutions were able to protect the laboring masses against a conscription that drags them to foreign battle fields, where they must fight and die far from home. At the end of the first and only suspension of the immunity that has ever occurred in Great Britain, its prime minister has been forced to covenant at the polls that the experiment shall never be repeated there. At the end of our first and only suspension of the immunity, so costly in life and treasure, our laboring masses now demand that the experiment shall never be repeated here. The peace of the world can never be reestablished until conscription is limited, as our Constitution provides, to home defense. In that way the assembling of great armies on foreign soils will be made impossible; in that way will end all babbling as to the empty dream called the league of nations, ridiculed and abandoned by all sound thinkers as a chimera since it was first definitely formulated by the Abbé St. Pierre in 1713.

AN OPEN LETTER TO THE SECRETARY OF WAR.

In the matter of Robert Cox, a member of the National Militia (unlawfully styled the National Army), who, after having been lawfully conscripted for home defense, was unlawfully and secretly transported by the War Department from Camp Funston, in the State of Kansas, to the battle fields of Europe, at a time when he was being held for trial in the Supreme Court of the United States under the sacred writ of habeas corpus.

WASHINGTON, D. C., December 21, 1918.

HON. NEWTON D. BAKER,
Secretary of War.

SIR: The caption of this letter will remind you at once of the gravest and most far-reaching violation of the sacred writ of habeas corpus that has ever occurred in the history of English and American law since the passage of the habeas corpus act of 1679 (31 Car. II, ch. 2), entitled "An act for the better securing the liberty of the subject, and for the prevention of imprisonments beyond seas." That grave statement is intended to emphasize the fact that the unlawful transportation of Robert Cox by the military power beyond the territorial limits of the United States to European battle fields, while he was waiting for a hearing in the Supreme Court under a writ of habeas corpus, deprived that court of all jurisdiction to decide said cause, and of all power to uphold the ancient constitutional immunity from service abroad upon which the lives and limbs of hundreds of thousands of American citizens (since forced to die and suffer wounds in foreign lands) then depended.

You may be under the erroneous impression that on May 6, 1918, in a certain paper read by his honor, the Chief Justice, the Supreme Court of the United States passed adversely upon the contention of Robert Cox that section 8, Article I, of the Constitution, under which he was lawfully conscripted for home defense, expressly exempted him from military service beyond the territorial limits of the United States. No such judgment was rendered, either in law or in fact, for the simple and conclusive reason that for at least six weeks before May 6, 1918,

said court had lost all jurisdiction over the person of said Cox by reason of his unlawful and secret transportation by the military power to the battle fields of France, where he was then held by such power when his case was called for hearing in said court. Fortunately there can be no possible controversy as to these facts, because after said cause had been called for hearing, such facts were confessed in open court, in the presence of the nine justices, by the Solicitor General, after they had been stated to the court by the counsel for said Cox. The statement has been made that the transportation of said Cox beyond the jurisdiction of said court was secret, because his family, his counsel, and the court itself, so far as we know, were all kept in profound ignorance of the same until a post card was received from him from France announcing his arrival there.

From the foundation of the Supreme Court the elementary principle has been asserted in endless forms that as a court of limited and defined powers it can not pronounce judgment in any case over which it has no jurisdiction. It is equally well settled that no judgment can be rendered in any case, once before it, after the court has, by subsequent events, lost jurisdiction of it. In *Mills v. Green* (159 U. S., 651) the court said: "The duty of this court, as of every other judicial tribunal, is to decide actual controversies by a judgment which can be carried into effect and not to give opinions upon moot questions or abstract propositions or to declare principles or rules of law which can not affect the matter in issue in the case before it. It necessarily follows that when, pending an appeal from the judgment of the lower court, and without any fault of the defendant, an event occurs which renders it impossible for this court, if it should decide the case in favor of the plaintiff, to grant him any effectual relief whatever the court will not proceed to a formal judgment, but will dismiss the appeal."

Without any fault upon the part of Robert Cox, he had been secretly and unlawfully removed by the military power from the custody of said court while he was being held under the sacred writ of habeas corpus for a hearing therein. At the time his case was called for trial, and on May 6, 1918, when his honor, the Chief Justice, read from the bench a certain paper, purporting to be a judgment wiping out the ancient constitutional immunity from service abroad set up by said Cox, he was in the custody of the American Army in France, entirely beyond the jurisdiction and process of said court. If the court had decided in his favor it would have been entirely powerless to enforce its decree against the military power in France then holding the petitioner for the writ in that country in open and flagrant contempt of its jurisdiction.

As it appears from its own decisions, in a form too clear for cavil, quibble, or question, that the Supreme Court has rendered no judgment adverse to the ancient constitutional immunity from service abroad set up by Robert Cox, the fact remains that such ancient immunity still stands unimpaired as a part of the fundamental law. After such immunity had endured for a thousand years, as a corner stone of the English constitution, it was incorporated into our own as a part of section 8, Article I, of the Constitution of 1789, a fact fixed by *Martin v. Mott* (12 Wheat., 19), a case never questioned or overruled. When during the War of 1812 an appeal was made to Congress to connive at the destruction of the immunity in question, in order that our National Militia might be taken over into Canada, the conspiracy was crushed by Daniel Webster in an immortal oration in which he declared that the death of any American citizen who might be forced by conscription to die abroad would be "murder."

When a more recent attempt was made by men disloyal to the Constitution to assail the immunity in question in order to force American citizens by conscription to render military service in Cuba and the Philippines, President Taft, with Attorney General George W. Wickersham at his side, stood forth manfully as a defender of the ancient immunity. Through their joint efforts the attempt to force American citizens to render military service in either of those islands was trampled under foot. In an official opinion delivered under his solemn oath of office on February 17, 1912, that Attorney General, then considered a sound lawyer, declared that "Congress can not by its own enactment enlarge the power conferred upon it by the Constitution; and if this provision were construed to authorize Congress to use the Organized Militia for any other than the three purposes specified, it would be unconstitutional."

Mr. Secretary, if Congress has no power to authorize the President, as Commander in Chief, or you as Secretary of War, to send a single member of the conscripted National Militia to foreign battle fields, certainly neither of you can do so in open defiance of section 8, Article I, as construed in *Martin* against *Mott*, declared by Attorney General Wickersham to be the "law of the land." Since February 17, 1912, his sound and unanswerable opinion in favor of the immunity in question, unshaken by his pitiful attempts at recantation, has been and is to-day the law of the Department of Justice. As such it was solemnly recognized and affirmed by President Wilson in four speeches delivered in January and February, 1916. I have them in print before me. Thus the ancient immunity from service abroad upon which the case of Robert Cox depended was solemnly affirmed down to 1916 by the Supreme Court of the United States, by Daniel Webster, by President Taft, and Attorney General Wickersham and by President Wilson himself through all the solemn sanctions recognized by honorable men who respect what Mr. Grote has called "constitutional morality." Even Gen. Leonard Wood, the defendant in the case of Robert Cox, published in 1916 a book entitled "Our Military History, Its Facts and Fallacies," in which he vigorously defends the immunity from service abroad upon which Cox's case depended. It is a sad thing to see the passions of war deprive men in high places of their reason.

Frankness requires that we should thus impress upon you what is to-day the "law of the land" upon this all-important subject, because it will be our duty, as counsel for Robert Cox, to present to this Congress and to the next, if necessary, this statement of his case, to the end that a thorough investigation may be made by that body, which will settle the fact that not only Robert Cox but all other conscripted members of the National Militia now held in military bondage in foreign lands are held there and their lives jeopardized there, in open and flagrant violation of the Constitution of the United States. You have no judicial decision, no authority from Congress, no authority from the American people in the form of law which authorizes you to hold a single member of the National Militia for a single day beyond the territorial limits of the United States. The cruel exposure of our National Militia to the horrors of a Russian winter, if they shall be there employed in police duty, will be without the shadow of legality. We protest against the employment of Robert Cox in any such service. At this critical moment in the world's history, when the prime minister of England has been forced at the polls to promise the laboring masses of that country to reestablish at once the ancient immunity from military service abroad, is

it not high time for a like guaranty to be given to the laboring masses from whose ranks, as you well know, the bulk of our conscripts has been drawn. The new-fangled and revolutionary idea that raw and untrained citizen soldiers may be dragged from their homes to die on foreign battle fields in quarrels only indirectly their own has always been condemned, as we have said already, both by the English and American Constitutions.

The unauthorized transportation by the executive power of our conscripted National Militia to the battle fields of Europe, in defiance of section 8, Article I, of the Constitution, will stand out in the time to come as the most stupendous act of illegality in all history.

When our honored Supreme Court, in the Conscription cases, delivered a wise and just judgment, settling the fact that all citizens of lawful age may be conscripted by Congress, under section 8, Article I, for home defense, the defensive military power of this Republic was greatly strengthened, with the cordial approval of all patriotic and law-loving men. But when in the subsequent case of Robert Cox its hand was stayed through a lack of jurisdiction, as it attempted to sweep away the ancient and firmly settled immunity of the National Militia from service abroad, who can doubt that the Constitution was shielded by Providence from what would have been a mortal wound. If any doubt has heretofore existed on that point, the recent reestablishment of the ancient immunity in the land of its birth—from which we borrowed it—and the repudiation by "responsible English statesmen" of the deadly experiment that followed its abolition, should warn all of our rulers that no second attempt to abolish it must be made here, except by the process of amendment which the Constitution provides. This sacred immunity can not be abolished by the executive power; it can not be abolished by the judicial power, nor by both acting in concert. The right of abolition has never been delegated; it belongs to the American people alone.

As a responsible statesman specially charged with the guardianship of our military system, you must know, Mr. Secretary, that the burning question of the hour soon will be this: Shall our conscripted National Militia be detained indefinitely in Europe, in defiance of the Constitution, as a police force to hold in bondage the new-born democracies whose growth we are supposed to promote? If the life of one or more of such democracies shall be threatened with ruin through the imposition of such enormous indemnities as will shock the conscience of our Christian civilization, are American citizen-soldiers from the banks of the Hudson, the Ohio, and the Mississippi to be made the tax gatherers of such exactions in which we have no share? Upon that question of questions our future relations to European politics now depends. If we will only accept the prime minister of England's wise and patriotic declaration that service abroad by conscription is at end, the dawn will begin to break, the repudiated Monroe doctrine, so honored by our fathers, will be reestablished, and our Republic rescued from the "Caesarian mania" that has nearly taken its life.

The startling outcome of the great war is the complete overthrow of the concert of Europe which for nearly three centuries has guarded the European balance of power. Out of its ruins has risen already a perfectly organized league of nations, the only one that will be created, a new holy alliance composed of the British Empire and its allies (not ours)—France, Italy, and Japan—whose irresistible sea power now encircles the earth. Collier's Weekly says: "That August day, 1914, when the war broke out, the British Navy had a tonnage of 2,500,000 and a personnel of 145,000 officers and men. To-day it has a tonnage (including the auxiliary fleet) of 8,000,000 and a personnel of almost 500,000. This does not include the mercantile marine or patrol vessels, mine sweepers, etc., in the auxiliary fleet. There are 50,000 men serving in these." In addition, the British Empire holds in its hands the surrendered German fleet, the German colonies, and the long-coveted Dardanelles, besides the Suez Canal and a kind of overlordship over our own Panama Canal, which can be defended only by sea power. When to all that is added the combined sea power of her allies—France, Italy, and Japan—she is not only the mistress of the seas but the empress of the world in a way in which no world power has ever been since the fall of the Roman Empire.

With such a mighty combination against us, with which we are not in alliance, the Secretary of the Navy and yourself are performing a highly patriotic duty in providing for the national defense. Under the heading "The Postwar Budget" the Washington Post has said: "The War Department asks for \$2,556,000,000 with which to bring the Army home from Europe and to maintain such a force in Europe as conditions render necessary, in addition to providing fortifications and other features of the Military Establishment. The Navy Department asks for \$2,656,000,000, a large portion of which is for the purpose of building up the great Navy which it is proposed that the United States shall maintain. The big-navy program was given unqualified indorsement by the President in his address to Congress."

The imminence of the peril has just been confessed by the confidential adviser and official mouthpiece of the President, Senator JAMES HAMILTON LEWIS, who, after stating that Germany "can not in 50 years have a new navy that can oppose Britain," makes an urgent public appeal for an independent American Navy that can compete with that of England on equal terms. Every schoolboy must now understand that the overthrow of Germany—our only real bulwark against Great Britain—will impose upon us an annual burden of at least two thousand millions as a defense fund against the new and imperial mistress of the world. The appalling situation can not longer be concealed from the American people by the "smoke screen" called "the league of nations."

Our naval and military experts perfectly understand that until the concert of defense against the world-encircling sea power of the British Empire, which never gives up anything, never yields anything except to superior force. With the central empires, Russia, and Turkey eliminated, with France, Italy, and Japan as her allies, the triumphant and defiant mistress of the world now beholds us without an ally, and with a tremendous debt contracted largely for her salvation. Such is the outcome of our first brilliant experiment in world diplomacy. Let us not forget that Cicero said that "supreme power belongs to him who gains the command of the sea."

Thus the great war has lifted us to a perilous eminence—we are to be the greatest tax-bearing nation on earth. Instead of an annual expenditure of \$1,000,000,000 we must now provide an annual expenditure of at least \$5,000,000,000 if the Secretary of the Navy and yourself are to be upheld. Under such conditions is it not wise for us to withdraw at once from Europe our entire national militia, including Robert Cox, so that they may be used, if necessary, for home defense? Can we with prudence further weaken our financial resources—our only real hope—by lending another dollar to the European powers already united in a

European league of nations whose secret conferences have settled in advance every serious question upon which the peace congress will be called upon to pass? If we go on dreaming and giving, will not the statesmen of Downing Street soon feel that they are dealing with children who can be satisfied with sweetmeats and a few bouquets?

We perfectly understand the danger incurred by any American citizen who dares to defend American interests when they conflict with those of the Holy Alliance, whose unofficial envoys swarm in this Capital, and whose propaganda largely controls public opinion through a powerful section of the American press pledged to its interests. For defending the sacred clause of the Constitution involved in the case of Robert Cox we were denounced and hounded by certain disloyal men who dare to contend that it is a crime even to defend the Constitution of the United States whenever it happens to conflict with foreign and imperial interests. But since conscription for service abroad—the corner stone of the Prussian military system, invented in Germany by Scharnhaus and denounced by Mr. Lloyd George—is soon to be branded as a menace to the peace of the world by the coming peace congress, possibly the foreign propaganda may permit it to be mentioned unfavorably in the United States, by whose Constitution it has always been bitterly condemned and expressly prohibited.

In conclusion, permit us to present to you a copy of a letter from the father of Robert Cox, a coal miner of Missouri, who does not know whether his boy is living or dead. If he has perished, certainly his family are entitled to know the fact. His father says in his letter that neither his mother nor himself have been able to hear from their son since the 28th of March, 1918. "We have repeatedly written to him, writing each week, some of which are returned to us, others not." The father also desires to know whether his son "is carrying effective war insurance."

Will you be good enough to answer these questions at an early day, so that these poor laboring people may know the fate of their son?

With profound respect, Mr. Secretary, your obedient servants,

HANNIS TAYLOR,
JOSEPH E. BLACK,
Counsel for Robert Cox.

VIEWS OF JEFFERSON STANLEY.

Mr. GRONNA. I have a letter from a citizen and old soldier in my State, which I wish to have read.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The Secretary read as follows:

LET THEM COME HOME.

MILNOR, N. DAK., January 6, 1919.

MY DEAR SENATOR: My son and a neighbor canvassed Syria for the last Red Cross drive, and while so doing asked the opinion of the voters as to compulsory military training. The unanimous answer was "No; we don't want it."

I am a vet' of the Civil War. I have three boys in this war; one was proprietor of a horse ranch in Canada. He was compelled to turn over his stock to irresponsible parties and will lose one-half. Another was fireman on the G. N. R. R. receiving not less than \$125 per month. The youngest enlisted in the Marines and was in every fight from the Marne to the finish. He has two medals as expert rifleman; he did duty as a sniper and was in charge of a machine gun when wounded. The last day but one before hostilities ceased his company was in it bad. The captain called for volunteers to hold the line while he could reform the company. Robert and seven other machine-gun men stepped to the front. They held the Hun all right, and the fight was won for the United States Marines, for which the whole eight were lined up and a French general, after kissing each on both cheeks, pinned the French cross of honor on the lapels of their coats. My son received three wounds, but stayed and worked his gun until the captain, seeing his wound, ordered him to the rear. He is all right now and will be home soon, but will not have much use of his left hand.

I am not writing this to boost my boys. They are only just fair samples of all the boys over there.

I do not favor intervention in Russian affairs. They listened to German propaganda and lay down when most needed. Now let them help themselves as best they can.

Let the boys come home.

Very respectfully,

JEFFERSON STANLEY.

ADDRESSES AT OPENING OF PEACE CONFERENCE.

Mr. McKELLAR. On Saturday in opening the peace conference in Paris President Poincare made a very important speech, it seems to me, that referred, in part, to the league of nations. This is a splendid speech, well worthy of being preserved in the RECORD. I ask unanimous consent to have that speech printed in the RECORD, together with the replies by Monsieur Clemenceau, President Wilson, and Mr. Lloyd George. I would ask that Mr. Orlando's speech be printed, too, but I have been unable to find a copy of it. That minister made a speech on the same occasion along similar lines with the others. The French President shows very conclusively that there is a spirit of co-operation among our peace delegates and as well shows that President Wilson's proposals have virtually been, tentatively at least, agreed upon by the representatives of the great powers. Mr. Clemenceau's speech indicates that his opposition to the league has been withdrawn. The silence of the others shows, as I believe, a substantial agreement on all these proposals of our President.

The VICE PRESIDENT. Is there objection?

Mr. SMOOT. I could not hear the request of the Senator from Tennessee. Will the Senator state again what his request was?

Mr. McKELLAR. The request was to print in the RECORD, without reading, a short address from President Poincare, together with the replies of President Wilson, Monsieur Clemenceau, and Mr. Lloyd George. They are all very short.

There being no objection, the matter referred to was ordered to be printed in the Record, as follows:

AMERICA'S SUPREME JUDGMENT.

"The intervention of the United States was something more, something greater, than a great political and military event. It was a supreme judgment passed at the bar of history by the lofty conscience of a free people and their Chief Magistrate on the enormous responsibilities incurred in the frightful conflict which was lacerating humanity." (From President Poincaré's address at opening of the peace congress.)

ENEMIES SEEK IN VAIN TO SPLIT ALLIED UNITY, SAYS M. POINCARÉ.

PARIS, January 18.

President Poincaré's speech at the opening of the peace conference was as follows:

"Gentlemen, France greets and thanks you for having chosen as the seat of your labors the city which for more than four years the enemy had made his principal military objective, and of which the valor of the allied armies has victoriously defended against increasingly renewed offensives.

"Permit me to see in your decision the homage of all the nations that you represent toward a country which more than any other has endured the sufferings of war, of which entire Provinces have been transformed into a vast battle field, and have been systematically laid waste by the invader, and which has paid the human tribute in death.

GERMANY'S GUILT PROVED.

"France has borne these enormous sacrifices although she had not the slightest responsibility for the frightful catastrophe which has overwhelmed the universe. And at the moment when the cycle of horror is ending, all the powers whose delegates are assembled here may acquit themselves of any share in the crime which has resulted in so unprecedented a disaster. What gives you the authority to establish a peace of justice is the fact that none of the peoples of whom you are the delegates has had any part in the injustice. Humanity can place confidence in you because you are not among those who have outraged the rights of humanity.

"There is no need of further information or for special inquiries into the origin of the drama which has just shaken the world. The truth, bathed in blood, has already escaped from the imperial archives. The premeditated character of the trap is to-day clearly proved.

"In the hope of conquering first the hegemony of Europe and next the mastery of the world, the central empires, bound together by a secret plot, found the most abominable of pretexts for trying to crush Serbia and force their way to the East. At the same time they disowned the most solemn undertakings in order to crush Belgium and force their way into the heart of France.

CALLS OUTRAGES UNFORGETTABLE.

"These are the two unforgettable outrages which opened the way to aggression. The combined efforts of Great Britain, France, and Russia were exerted against that man-made arrogance.

"If after long vicissitudes those who wished to reign by the sword have perished by the sword, they have only themselves to blame. They have been destroyed by their own blindness.

"What could be more significant than the shameful bargains they attempted to offer to Great Britain and France at the end of July, 1914, when to Great Britain they suggested: 'Allow us to attack France on land and we will not enter the channel,' and when they instructed their ambassador to say to France: 'We will only accept a declaration of neutrality on your part if you surrender to us Briey, Toul, and Verdun.' It is in the light of these things, gentlemen, that all the conclusions you will have to draw from the war will take shape.

"Your nations entered the war successively, but came one and all to the help of threatened right. Like Germany, Great Britain had guaranteed the independence of Belgium. Germany sought to crush Belgium. Great Britain and France both swore to save her.

"Thus, from the very beginning of hostilities there came into conflict the two ideas which for 50 months were to struggle for the dominion of the world—the idea of sovereign force which accepts neither control nor check, and the idea of justice, which depends on the sword only to prevent or repress the abuse of strength.

"Faithfully supported by her dominions and her colonies, Great Britain decided that she could not remain aloof from a struggle in which the fate of every country was involved. She has made, and her dominions and colonies have made with her, prodigious efforts to prevent the war from ending in the triumph of the spirit of conquest and the destruction of right.

"Japan, in her turn, only decided to take up arms out of loyalty to Great Britain, her great ally, and from the consciousness of the danger in which both Asia and Europe would have stood of the hegemony of which the Germanic Empires dreamed.

ITALY AIDING THE OPPRESSED.

"Italy, who from the first had refused to lend a helping hand to German ambition, arose against an age-long foe only to answer the call of oppressed populations and to destroy at the cost of her blood the artificial political combination which took no account of human liberty.

"Roumania resolved to fight only to realize that national unity which was opposed by the same powers of arbitrary force. Abandoned, betrayed, and strangled, she had to submit to an abominable treaty, the revision of which you will exact.

"Greece, whom the enemy for many months tried to turn from her traditions and destinies, raised an army only to escape attempts at domination of which she felt the growing threat.

"Portugal, China, and Siam abandoned neutrality only to escape the strangling pressure of the central powers.

"Thus it was the extent of German ambitions that brought so many peoples, great and small, to align themselves against the same adversary. And what shall I say of the solemn resolutions taken by the United States in the spring of 1917, under the auspices of its illustrious President, Mr. Wilson, whom I am happy to greet here in the name of grateful France, and if you will allow me to say so, gentlemen, in the name of all the nations represented in this room.

JUDGMENT PASSED BY AMERICA.

"What shall I say of the many other American powers which either declared themselves against Germany—Brazil, Cuba, Panama, Guatemala, Nicaragua, Haiti, Honduras—or at least broke off diplomatic relations—Bolivia, Peru, Ecuador, Uruguay. From the north to the south the New World arose with indignation when it saw the Empires of central Europe, after having let loose the war without provocation and without excuse, carry it on with fire, pillage, and the massacre of inoffensive beings.

"The intervention of the United States was something more, something greater than a great political and military event. It was a supreme judgment passed at the bar of history by the lofty conscience of a free people and their Chief Magistrate on the enormous responsibilities incurred in the frightful conflict which was lacerating humanity.

"It was not only to protect itself from the audacious aims of German megalomania that the United States equipped fleets and created immense armies, but also and above all to defend an ideal of liberty over which it saw the huge shadow of the imperial eagle encroaching further every day. America, the daughter of Europe, crossed the ocean to rescue her mother from the humiliation of thralldom and to save civilization.

HUN DEBASED EVEN RELIGION.

"The American people wished to put an end to the greatest scandal that has ever sullied the annals of mankind. Autocratic governments, having prepared in the secrecy of the chancelleries and the general staffs a mad program of universal dominion, let loose their packs at the time fixed by their genius for intrigue and sounded the horns for the chase, ordering science (at the very time it was beginning to abolish distances, to bring men closer together, and make life sweeter) to leave the bright sky toward which it was soaring and to place itself submissively at the service of violence; debasing the religious idea to the extent of making God the complacent auxiliary of their passions and the accomplice of their crimes—in short, counting as naught the traditions and wills of peoples, the lives of citizens, the honor of women, and all those principles of public and private morality which we for our part have endeavored to keep unaltered throughout the war and which neither nations nor individuals can repudiate or disregard with impunity.

"While the conflict was gradually extending over the entire surface of the earth, the clanking of chains was heard here and there and captive nationalities from the depths of their age-long jails cried out to us for help. Yes, more, they escaped to come to our aid.

OLD RACES REBORN.

"Poland came to life again and sent us troops. The Czechoslovaks won their right to independence in Siberia, in France, and in Italy. The Yugoslavs, the Armenians, the Syrians and Levantines, the Arabs, all the victims, long helpless or resigned, of the historic deeds of injustice; all the martyrs of the past, all the outraged in conscience, all the strangled in liberty, viewed the clash of arms and turned to us as their natural defenders.

"The war gradually attained the fullness of its first significance and became in the full sense of the term a crusade of humanity for right, and if anything can console us, in part at least, for the losses we have suffered, it is assuredly the thought that our victory also is the victory of right. This victory is complete, for the enemy only asked for the armistice to escape from an irretrievable military disaster.

"In the interest of justice and peace it now rests with you to reap from this victory its full fruits. In order to carry out this immense task you have decided to admit at first only the allied or associated powers, and, in so far as their interests are involved in the debates, the nations which remained neutral.

MUST PRESERVE SOLIDARITY.

"You have thought that the terms of peace ought to be settled among ourselves before they are communicated to those against whom we have fought the good fight. The solidarity which has united us during the war and has enabled us to win military success ought to remain unimpaired during the negotiations for and after the signing of the treaty.

"It is not only the Governments but free peoples who are represented here. To the test of danger they have learned to know and help one another. They want their intimacy of yesterday to assure the peace of to-morrow. Vainly would our enemies seek to divide us. If they have not yet renounced their customary maneuvers, they will soon find that they are meeting to-day, as during hostilities, a homogeneous block, which nothing will be able to disintegrate. Even before the armistice you reached that necessary unity under the aid of the lofty moral and political truths of which President Wilson has nobly made himself the interpreter, and in the light of these truths you intend to accomplish your mission.

JUSTICE ALONE SOUGHT.

"You will, therefore, seek nothing but justice—justice that has no favorites, justice in territorial problems, justice in financial problems, justice in economic problems. But justice is not inert, it does not submit to injustice. What it demands, first, when it has been violated, are restitution and reparation for the peoples and individuals who have been despoiled or maltreated. In formulating this lawful claim: it obeys neither hatred nor an instinctive or thoughtless desire for reprisals. It pursues a twofold object—to render to each his due, and not to encourage crime through leaving it unpunished.

"What justice also demands, inspired by the same feeling, is the punishment of the guilty and effective guaranties against an active return of the spirit by which they are prompted, and it is logical to demand that these guaranties should be given, above all, to the nations that have been and might again be most exposed to aggression or threat, to those who have many times stood in danger of being submerged by the periodic tide of the same invasion.

DREAMS OF CONQUEST ENDED.

"What justice banishes is the dream of conquest and imperialism, contempt for national will, the arbitrary exchange of Provinces between States, as though peoples were but articles of furniture or pawns in a game. The time is no more when diplomats could meet to redraw with authority the map of the empires on the corner of a table. If you are to remake the map of the world, it is in the name of the peoples, and one condition is that you shall faithfully interpret their thoughts and respect the right of nations, small and great, to dispose of themselves, and to reconcile with this the equally sacred right of ethnical and religious minorities—a formidable task which science and history, your two advisers, will contribute to assist and facilitate.

"You will naturally strive to secure the material and moral means of subsistence for all those peoples who are constituted or reconstituted into States; for those who wish to unite themselves to their neighbors; for those who divide themselves into separate units; for those who reorganize themselves; for those who divide themselves according to their regained traditions; and, lastly, for all those who see freedom you have already sanctioned or are about to sanction. You will not call them into existence only to sentence them to death immediately because you would like your work in this, as in all other matters, to be fruitful and lasting.

WILL FORM NATIONS' LEAGUE.

"While introducing into the world as much harmony as possible you will, in conformity with the fourteenth of the propositions unanimously adopted by the great allied powers, establish a general league of nations which will be the supreme guaranty against any fresh assault upon the right of peoples. You do not intend this international association to be directed against anybody in the future. It will not, of a set purpose, shut out anybody, but, having been organized by the nations

that have sacrificed themselves in the defense of right, it will receive from them its statutes and fundamental rules.

"It will lay down conditions concerning present or future adherence and, as it is to have for its essential aim the prevention as far as possible of the renewals of wars, it will, above all, seek to gain respect for the peace which you will have established and will find it the less difficult to maintain in proportion, as this peace will in itself imply the greater realities of justice and safer guaranties of stability.

ANNIVERSARY OF HUN EMPIRE.

"By establishing this new order of things you will meet the aspirations of humanity, which, after the frightful convulsions of the blood-stained years, ardently wishes to feel itself protected by a union of free people against the ever-possible revival of primitive savagery. An immortal glory will attach to the names of the nations and the men who have desired to cooperate in this grand work in faith and brotherhood and who have taken the pains to eliminate from the future peace causes of disturbance and instability.

"This very day, 48 years ago, on the 18th of January, 1871, the German Empire was proclaimed by an army of invasion in the chateau at Versailles. It was consecrated by the theft of two French Provinces. It was thus a violation from its origin, and, by the fault of its founders, it was born in injustice. It has ended in oblivion.

"You are assembled in order to repair the evil that has been done and to prevent a recurrence of it. You hold in your hands the future of the world. I leave you, gentlemen, to your grave deliberations and declare the conference of Paris open."

THE LEAGUE OF NATIONS.

President Poincaré and Premier Clemenceau, in their speeches at the opening of the peace congress yesterday, both referred to President Wilson's proposed league of nations, as follows:

PRESIDENT POINCARÉ.

"While introducing into the world as much harmony as possible you will, in conformity with the fourteenth of the propositions unanimously adopted by the great allied powers, establish a general league of nations which will be the supreme guaranty against any fresh assault upon the rights of peoples. You do not intend this international association to be directed against anybody in the future. It will not, of a set purpose, shut out anybody, but having been organized by the nations that have sacrificed themselves in the defense of right, it will receive from them its statutes and fundamental rules."

PREMIER CLEMENCEAU.

"All else must be subordinated to the necessity of a closer and closer union among the nations who have taken part in this great war and to the necessity of remaining friends. For the league of nations is here. It is yourself. It is for you to make it live, and to make it live we must have it really in our hearts.

"As I told President Wilson a few days ago there is no sacrifice that I am not willing to make in order to accomplish this, and I do not doubt that you all have the same sentiment. We will make these sacrifices, but on the condition that we endeavor impartially to conciliate interests apparently contradictory, on the higher plane of a greater, happier, and better humanity."

WILSON PRAISES CLEMENCEAU, MOVING ELECTION; PREMIER, ACCEPTING, PLEADS FOR A CLOSER UNION.

PARIS, January 18.

In his speech at the opening of the peace conference to-day, proposing Premier Clemenceau for the permanent chairmanship, President Wilson said:

"Mr. Chairman, it gives me great pleasure to propose as permanent chairman of the conference Mr. Clemenceau, the president of the council.

"I would do this as a matter of custom. I would do this as a tribute to the French Republic. But I wish to do it as something more than that. I wish to do it as a tribute to the man.

"France deserves the precedence not only because we are meeting at her capital, and because she has undergone some of the most tragical suffering of the war, but also because her capital, her ancient and beautiful capital, has so often been the center of conferences of this sort, on which the fortunes of large parts of the world turned.

"It is a very delightful thought that the history of the world, which has so often centered here, will now be crowned by the achievements of this conference—because there is a sense in which this is the supreme conference of the history of mankind.

"More nations are represented here than were ever represented in such a conference before. The fortunes of all peoples are involved. A great war is ended, which seemed about to bring a universal cataclysm. The danger is passed. A victory has

been won for mankind, and it is delightful that we should be able to record these great results in this place.

"But it is more delightful to honor France, because we can honor her in the person of so distinguished a servant. We have all felt in our participation in the struggles of this war the fine steadfastness which characterized the leadership of the French in the hands of Mr. Clemenceau. We have learned to admire him, and those of us who have been associated with him have acquired a genuine affection for him.

"Moreover, those of us who have been in these recent days in constant consultation with him know how warmly his purpose is set toward the goal of achievement to which all our faces are turned. He feels as we feel, as I have no doubt everybody in this room feels, that we are trusted to do a great thing, to do it in the highest spirit of friendship and accommodation, and to do it as promptly as possible in order that the hearts of men may have fear lifted from them, and that they may return to those purposes of life which will bring them happiness and contentment and prosperity.

"Knowing his brotherhood of heart in these great matters, it affords me a personal pleasure to propose that Mr. Clemenceau shall be the permanent chairman of this conference."

SUCCESS IMPOSSIBLE UNLESS ALL STAY UNITED, CLEMENCEAU WARNS.
PARIS, January 18.

Premier Clemenceau at to-day's peace conference spoke as follows:

"You would not expect me to keep silence after what the two eminent statesmen, who have just spoken, have said. I can not help expressing my great, my profound gratitude to the illustrious President of the United States, to the prime minister of Great Britain, and to Baron Sonnino for the words I have just heard from their lips.

"Long ago, when I was young, as Mr. Lloyd George has recalled to you, when I was traveling in America and in England I always heard the French reproached for an excess of courtesy, which sometimes went beyond the truth. As I listened to the American statesman and to the English statesman I wondered whether they had not caught in Paris our national disease of courtesy. Nevertheless, gentlemen, I must say that my election is necessarily due to the old international tradition of courtesy to the country which has the honor to receive the peace conference in its capital.

TOUCHED BY FRIENDSHIP.

"I wish also to say that this testimony of friendship, if they will allow me the word, on the part of President Wilson and Mr. Lloyd George in particular, has touched me deeply, because I see in it a new strength for all three of us to accomplish with the cooperation of the entire conference the arduous work which is intrusted to us. I gather from it a new confidence in the success of our efforts.

"President Wilson has special authority to say that this is the first time in fact that the world has ever seen assembled together a delegation of all the civilized nations of the earth.

"The greater the bloody catastrophe which has devastated and ruined one of the richest parts of France, the greater and more splendid must be the reparation—not only the material reparation, the vulgar reparation, if I dare speak so, which is due all of us, but the higher and nobler reparation of the new institution which we will try to establish in order that nations may at length escape from the fatal embrace of ruinous wars which destroy everything, heap up ruins, terrorize the populace, and prevent them from going freely about their work for fear of enemies which may rise up from one day to the next.

MUST HAVE CLEAR IDEAS.

"It is a great, splendid, and noble ambition which has come to all of us. It is desirable that success should crown our efforts. This can not take place unless we all have firmly fixed and clearly determined ideas on what we wish to do.

"I said in the chamber a few days ago, and I wish to repeat here, that success is not possible unless we remain firmly united. We have come together as friends; we must leave this hall as friends.

"That, gentlemen, is the first thought that comes to me. All else must be subordinated to the necessity of a closer and closer union among the nations who have taken part in this great war and to the necessity of remaining friends. For the league of nations is here. It is yourself. It is for you to make it live, and to make it live we must have it really in our hearts.

WILLING TO SACRIFICE.

"As I told President Wilson a few days ago, there is no sacrifice that I am not willing to make in order to accomplish this, and I do not doubt that you all have the same sentiment. We will make these sacrifices, but on the condition that we en-

deavor impartially to conciliate interests apparently contradictory on the higher plane of a greater, happier, and better humanity.

"That, gentlemen, is what I had to say to you. I am touched beyond words at the evidence of good will and friendship which you show me.

"The program of this conference has been laid down by President Wilson. It is no longer the peace of a more or less vast territory, no longer the peace of continents; it is the peace of nations that is to be made. This program is sufficient in itself. There is no superfluous word. Let us try to act swiftly and well."

LLOYD GEORGE CALLS CLEMENCEAU "GRAND YOUNG MAN OF EUROPE."
PARIS January 18.

Following is the address of the British prime minister, Mr. Lloyd George, at the opening session of the peace conference:

"I count it not merely a pleasure but a great privilege that I should be expected, on behalf of the British Empire delegates, to support the motion of President Wilson. I do so for this reason which he has so eloquently given expression to, as a tribute to the man. When I was a schoolboy Mr. Clemenceau was a compelling and a conspicuous figure in the politics of his native land and his fame had extended far beyond the bounds of France.

IS "GRAND YOUNG MAN."

"Were it not for that undoubted fact, Mr. President, I should have treated as a legend the common report of your years. I have attended many conferences with Mr. Clemenceau, and in them all the most vigorous, the most enduring, and the most youthful figure there has been that of Mr. Clemenceau. He has had the youthfulness; he has had the hopefulness and the fearlessness of youth. He is, indeed, the 'grand young man' of France, and I am proud to stand here to propose that he should take the chair in this great conference that is to settle the peace of the world.

"I know of none better qualified, or as well qualified, to occupy this chair than Mr. Clemenceau. And I speak from my experience in its claim. He and I have not always agreed. We have very often agreed. We have sometimes disagreed, and we have always expressed our disagreements very emphatically, because we are ourselves.

NO WASTE OF TIME.

"But although there will be delays, and inevitable delays, in the signing of peace, due to the inherent difficulties of what we have to settle, I will guarantee, from my knowledge of Mr. Clemenceau, that there will be no waste of time. And that is important.

"The world is thirsting and hungering for peace. There are millions of people who want to get back to the world work of peace. And the fact that Mr. Clemenceau is in the chair will be proof that they will get there without any delays, except the difficulties which are essential in what we have to perform. He is one of the great speakers of the world. But no one knows better than he that the best speaking is that which impels beneficent actions.

EMBODIES FRENCH HEROISM.

"I have another reason. During the dark days we have passed through his courage, his unflinching courtesy, his untiring energy, his inspiration have helped the allies through to triumph, and I know of no one to whom that victory is more attributable than the man who sits in this chair. In his own person, more than any living man, he represents the heroism, he represents the genius of the indomitable people of his land.

"And for these reasons I count it a privilege that I should be expected to second this motion."

HOUSE BILL REFERRED.

H. R. 14078. An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1920, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

SUPPLIES OF POTASH.

Mr. HITCHCOCK. Mr. President, I ask to have printed in the Record a short article from the Journal of Commerce of New York, published January 17, entitled "To permit no Alsace potash exportation." I wish to say in reference to this matter that some time ago it was stated in the public press in the shape of a cablegram from Paris that Mr. Hurley had announced that he had made arrangements under which potash was to be shipped from Alsace-Lorraine to the United States at an early date. This statement, which I felt at the time to be entirely erroneous, has done a great deal of damage, because it has put a stop to the purchase of potash made in the United States,

which should have been purchased by the fertilizer companies and should go into the fertilizers to be used this season.

This article from the Journal of Commerce is short, and I am going to take the liberty of reading it:

[From the Journal of Commerce, Jan. 17, 1919.]

TO PERMIT NO ALSACE POTASH EXPORTATION—OUTPUT TO BE USED TO RESTORE FERTILITY OF FRENCH SOIL.

Absolutely no export shipments of potash will be permitted to leave the Alsatian potash fields for the next two or three years at least, according to authoritative information reaching Government officials here to-night from sources close to the French Government. French farms and fields are in such serious need for fertilizer, it was said, that the entire output of the potash fields now under French control will be used to restore the fertility of French soil.

Together with the protection from this source that will be afforded the newly started potash industry in this country, Government officials to-night declared that Prof. Taussig, of the Tariff Commission, now is engaged in drafting a bill to be presented to Congress giving such newly-started industries high-tariff protection until they have developed to meet foreign competition in American and foreign markets. This bill, it is understood, will include potash, manganese, nitrate, and similar products which the country heretofore has been importing to meet domestic requirements.

I wish to say that I do not indorse the idea that Congress should pass high-protective tariff legislation for the benefit of the potash industry. That is a question that has got to be considered on its merits subsequently. But I did protest at the time, and I renew my protest now, that after Government agencies have fostered the development of potash industries during the war and have, as a result of their activities, induced potash manufacturers to enlarge their plants until at the present time there are on storage in the United States nearly 100,000 tons of potash, it would be bad faith upon the part of the Government, either through Mr. Hurley or anybody else, to hasten the importation of potash from Alsace-Lorraine at this time in order to destroy the market for the American product that has been built up under Government patronage.

I ask to have this article go in the RECORD for the purpose of verifying the statement I made on the floor of the Senate the other day that no potash from Alsace-Lorraine and no potash from Germany can be brought into this country in time to be used in the fertilizers for the present season.

I am going to ask to have inserted in the RECORD also, without reading, a letter from the National Fertilizer Association, in which the president admits that foreign potash can not be brought into this country at this time.

THE NATIONAL FERTILIZER ASSOCIATION,

Baltimore, January 10, 1919.

Hon. G. M. HITCHCOCK,
United States Senate.

MY DEAR SENATOR: I note in the CONGRESSIONAL RECORD, page 935, a copy of a telegram to you from the Nebraska Potash Producers Association and a report of your statement to the Senate, from which I find that you are under the impression that the fertilizer companies are refusing to buy potash in the hope of being able to import potash from Europe to put into fertilizers for the coming spring season.

In the December 19 issue of the Manufacturers Record there was published a letter addressed by the editor of the publication to Hon. Franklin K. Lane, Secretary of the Interior Department, in which the editor made a very venomous attack on the fertilizer industry, the contents of which are without foundation and apparently without a proper understanding of the situation.

The fertilizer manufacturers have been cooperating with the Nebraska producers and other potash producers throughout the country and are making every possible effort to dispose of the increased production of potash in this country. We have felt absolutely certain that there was no possibility of bringing any potash from Europe in time for its use in fertilizers for the coming spring and were very much surprised recently at a statement made by Chairman Hurley, of the Shipping Board, through the Associated Press, that he expected to bring to America immediately a very large tonnage of potash from France. We still believe, however, that the position taken by the War Trade Board that no potash would be imported in time for this spring will be carried through, and the fertilizer manufacturers have made their purchases accordingly; but the publicity given Mr. Hurley's statement has resulted in the farmers holding up their orders to such an extent that very little fertilizer is moving. They believe that this potash will come on the market at a very low price and reduce their cost of fertilizer. Unless they are given to understand definitely that there will be no potash from Europe, I am doubtful whether the usual tonnage of fertilizer can be shipped in time for this spring's crops.

I have addressed a reply to the editor of the Manufacturers Record, copy of which I have sent to Secretary Lane, and I am taking the liberty of attaching a copy of it to this letter with the hope that you will have time to read it.

In this letter I have endeavored to set forth the position of the fertilizer manufacturers as clearly as possible.

We are urging increased use of potash in our propaganda and advertising, but if the farmers will not buy it, the manufacturers can not be expected to buy it from the producers.

I feel very confident that if you will take this matter up with the Nebraska producers, they will prove to you that they are satisfied with the cooperation they are receiving from the fertilizer manufacturers throughout the country.

Yours, very truly,

W. D. HUNTINGTON, President.

Mr. SHAFROTH. Mr. President, I should like to state to the Senator from Nebraska that I have received several telegrams from persons relating to this matter apprehending that Mr. Hurley would endeavor to get the Alsace-Lorraine potash

here. They are very much exercised over it, and it does seem to me it would be an injustice to permit that to be done.

Mr. HITCHCOCK. I will say that I have investigated the matter, and I have even used the cables for the purpose; and I feel absolutely warranted in saying that no potash can come into this country; that France is now levying upon all the potash in Alsace-Lorraine, and is selling it to agricultural interests and to the fertilizer interests of France in carload lots at rates that the Government has fixed, which are rather high rates for the present; that France will consume all that potash; and that the effort of the fertilizer companies to abstain from the purchase of American potash will prove a vain one; that they will be compelled to buy the American potash if they satisfy the agricultural needs.

I am aware that a meeting is to be held in New York next week for the purpose of attempting to arrange for securing potash from Alsace-Lorraine, and I simply want in this public way to renew the statement I made some two or three weeks ago on the floor of the Senate that it will be impossible to secure Alsace-Lorraine potash this year, and that all attempts and representations held out to the agricultural interests that it will come in here are delusive and will simply result in disappointment and perhaps in imposition.

Mr. PITTMAN. Mr. President, right in this connection I think it well to have a telegram read on this very subject as a part of my remarks. The telegram is addressed to the chairman of the Public Lands Committee, the Senator from Montana [Mr. MYERS]. It is a copy of the telegram.

The VICE PRESIDENT. It will be read.

The Secretary read as follows:

JANUARY 17, 1919.

War Trade Board declare trade open between Alsace and America, and Hurley proposes bring half a million tons of Alsatian potash in ballast in Government ships. Alsatian mines not damaged; can commence production immediately. American potash can not compete with low-priced potash at present. Reported that Interior Department recommends bill providing \$10,000,000 national corporation to purchase domestic potash at fair profit to producers as a temporary measure for a period sufficient to allow producers to amortize plants and enable completion later without assistance. Consumers should be obliged to purchase all domestic potash at Government price before buying foreign potash. Please urge passage of this bill or some action by the Government to protect American producers. Over \$10,000,000 has been invested in Pacific coast potash plants alone practically at the Government's request. Expect to reach Washington about February 5.

Mr. PITTMAN. Mr. President, I have been led to believe from a study of the potash question that this country requires about 500,000 tons of potash annually. This country in the past has produced only about 20,000 tons of potash annually. I am surprised at two statements of the Senator from Nebraska, one that 100,000 tons of potash are in storage, not being used, considering the demand, and the other that we are capable in any way of supplying the demands for this country of 500,000 tons. I do not understand when there is a demand for 500,000 tons how there can be 100,000 tons in storage.

Mr. HITCHCOCK. Undoubtedly this country, like the countries of Europe, during the war has been subjected to a sort of potash starvation, but the fact is absolutely as I have stated it to the Senate. Nearly 100,000 tons of potash have been produced and are now stored, and the fertilizer companies of the United States under what has seemed to be an agreement among themselves have refused even to bid upon it or to offer anything for it. It is very evident that Mr. Hurley's activities in France and his telegram to this country are more in the interest of the fertilizer companies than they are in behalf of the agricultural interests. I have not any doubt that Mr. Hurley has exerted himself to secure this potash, and the telegram which was sent over to this country was intended to fortify the fertilizer companies in their refusal to buy American potash, but I again aver that the American-made potash is the only potash which the fertilizer companies will be able to secure this year, and the simple reason is that France will require all the potash that Alsace-Lorraine can produce for this season.

Mr. PITTMAN. Mr. President, potash was selling at about from \$35 to \$40 a ton prior to the war. I should like to know if the Senator from Nebraska can tell us at what price this hundred thousand tons of potash is held?

Mr. HITCHCOCK. My impression is that potash has been selling at over \$200 a ton. I will say that this potash was produced by the most expensive labor during the war. The plants have been built by purchasing machinery at two, three, and even four times the ordinary cost; the pipes that have been used have been purchased at an enormous price. Under Government stimulation labor has been paid two or three times the ordinary price in order to produce this potash for agricultural purposes in the United States.

Mr. PITTMAN. Mr. President, I am deeply interested in the production of potash, and I realize that the Government,

through its bureaus, has stimulated the production of potash at an enormous expense; but justice must be done in those particulars. I do not think, however, that the Senator from Nebraska [Mr. HITCHCOCK] is justified in intimating that Mr. Hurley has a deeper interest in the producers of fertilizers than he has in anything else in this matter. The additional price that fertilizer companies must pay for potash will be transferred to the consumer of potash. It is a very difficult thing for some farmers to pay from \$200 to \$300 a ton for potash in fertilizer form and use it at all.

Mr. KING. They can not afford to do so.

Mr. PITTMAN. If the farmers of this country who require potash can obtain it anywhere at from \$30 to \$40 a ton and 500,000 tons a year are needed and this country can only produce 100,000 tons a year, it is the duty of this Government to assist the farmers in obtaining that potash. I think it is wrong to surround this 100,000 tons of accumulated potash with a tariff wall, or an embargo wall, or anything else that requires the producers of the country to pay any price that the owners of that 100,000 tons of potash may demand. That is exactly what we are up against.

Mr. HITCHCOCK. Mr. President, I hope the Senator from Nevada has not understood me as either favoring a tariff or an embargo for that purpose. What I sought to say was that an attempt to represent to the American public that we were going to get potash from Alsace-Lorraine, when we are not going to get it, is not right. It has been absolutely demonstrated through governmental agencies that we are not to receive any potash from Alsace-Lorraine in time to be used for the present season, and I am making this public statement for the purpose of bringing pressure to bear on the fertilizer companies to act upon that information and not to attempt to delude the agricultural interests with the idea that they are going to get potash from Alsace-Lorraine, when they are not going to get it this season, and I know it. They are not going to get it because we put on an embargo or because we propose a tariff—for I propose neither—but they are not going to get it because France absolutely requires that potash. I am only speaking here in the interest of truth.

Mr. PITTMAN. I do not think there is any more serious thing facing the economic world to-day than the lack of potash for fertilizer. All who have given the question any study know that the crop production of this country has been materially affected by the lack of potash. The cotton crop in many places has been absolutely destroyed by the lack of potash. There is no other fertilizer that will take its place.

Mr. HITCHCOCK. The Senator from Nevada is entirely correct; and it was for that reason, while war was on and we could obtain no potash, that these governmental agencies of the country and the potash users urged the manufacturers of potash to invest their money. They did so invest their money; and in my State at the present time more than one-half the potash of the United States is produced by money which has been invested by 5,000 stockholders in Nebraska, who are likely to be ruined by this refusal of the fertilizer companies to purchase this great store of potash which has been accumulated. I feel that it is simply an attempt to delude the agricultural interests with the idea that we are going to get something from Europe which we are not going to get.

Mr. PITTMAN. Mr. President, there is no use of deluding the farmers of this country any more than there is a necessity of deluding the manufacturers of the country. The farmers of the country might as well know now definitely that they can not obtain the potash which they need from the home production of potash. The home production of potash in the United States to-day is not 10,000 tons a month, and the demand for potash for agricultural purposes alone before the war was 400,000 tons a year.

Mr. SMITH of Georgia. Mr. President, the Senator from Nevada gave a good deal of attention last year to the study of potash development in the West, and I am sure that at least one measure which he championed was with a view of opening up the development of potash. Has anything been accomplished in that line which the Senator could mention?

Mr. PITTMAN. Mr. President, there is a tremendous lake of potash in California. The deposit is so constituted that it may be worked very deeply. The testimony of experts is that it may be worked in competition with German potash. The bill to which the Senator from Georgia refers was passed by Congress long ago, but I regret to say that delays occurring elsewhere have prevented any material production of potash from that source. I am not discussing why potash has not been produced; but I tell you now that we are not producing 10,000 tons of

potash per month in the United States, and that can not meet the demand for 400,000 tons per annum which exists.

Mr. HITCHCOCK. Mr. President, I do not doubt that the American production of potash at this time is not so large as the demand will be in the future, and I have said that the American potash is all the potash that is available. I am rather disposed to challenge the figures that we are not producing 10,000 tons of potash a month. My information is that the accumulation of the year 1918 in potash production is now 100,000 tons in addition to what has already been sold.

Mr. PITTMAN. Mr. President, I have the statement of Mr. Hurley himself. I have not attempted to check it, but under that the production of potash is not in excess of 10,000 tons of oxide of potash per month. I have every reason to believe that that is the fact. I know of no great production of potash in the United States. There are a few little potash lakes in Nebraska which are producing some potash, and we are getting from alunite some potash in Utah and other places, but it is a small production to meet the demands. What I am getting at is that, instead of Mr. Hurley being criticized for an effort to get Alsatian potash over here, the necessity of the case not only ought to be presented to Mr. Hurley but should also be presented to the French Government. The French Government and other European countries are depending very largely on this country for food, and that food supply is going to be materially reduced unless we can get a large quantity of potash now, without any delay whatever.

I desire to refer to another branch of this question. I do not know how many potash concerns have been induced to go into the business through representations of the Government, but I am satisfied that the one which produced the 100,000 tons did not go in because of representations by the Government, but went into the business when potash went to \$315 a ton. I venture to say—and I do not think anyone will contradict me—that that institution started without any capital to speak of and has made a million dollars since that time. There are possibly some institutions which have been induced to start because of governmental representations, and the Government is indebted to them morally, if not legally, to a certain extent, not only in connection with the production of potash but of manganese and many other articles. It is the intention, however, as I understand, to take care of those concerns through the Bureau of Mines bill—to take care of them by settling the contracts, as the effort is being made to settle all war contracts; but 90 per cent, in my opinion, of the potash producers of to-day are not entitled to a cent from the Government.

So far as maintaining a production and supply of potash throughout the West is concerned, I agree with the Senator about that. It would be wise if we could stimulate production in this country so that we would have an adequate supply of potash in case of war, in case we were cut off from potash as we were cut off from potash during the late war; but I do not think that the way to do it is to stop the introduction of potash into this country at a time when it is impossible for this country to supply it, no matter what laws we may pass. I do not think it is right, either, to take any steps that will allow the 100,000 tons of stored potash to be sold at an absolutely unreasonable profit.

Mr. SHEPPARD. Mr. President, I call for the regular order.

RETENTION OF UNIFORMS.

Mr. CHAMBERLAIN. Mr. President, I should like to ask unanimous consent of the Senate for the immediate consideration of a bill that is of a good deal of importance to the young men who are being discharged from the Army. I refer to the bill allowing them to retain their uniforms. I do not think it will lead to discussion.

Mr. SMOOT. Can we not reach it on the calendar in regular order?

Mr. CHAMBERLAIN. If we are going to take up the calendar, I withdraw the request.

THE CALENDAR.

The VICE PRESIDENT. The calendar under Rule VIII is in order.

The first business on the calendar was the joint resolution (S. J. Res. 39) to appropriate \$3,000,000 to enable the Secretary of Agriculture to prosecute the work of eradicating the southern cattle tick.

Mr. SMOOT. Let that go over, Mr. President.

The VICE PRESIDENT. The joint resolution will be passed over.

The joint resolution (S. J. Res. 53) authorizing the President to appoint two additional Assistant Secretaries of Agriculture, and for other purposes, was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 1725) to stimulate the production of food upon private and public lands within reclamation projects, and for other purposes, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The resolution (S. Res. 91) extending the authority of and provision for the committee appointed under Senate resolution 92, Sixty-third Congress, first session, to investigate the charges of alleged attempts to influence legislation was announced as next in order.

Mr. NELSON. Let that go over.

The VICE PRESIDENT. The resolution will be passed over.

EAST ST. LOUIS, ILL., RIOTS.

The concurrent resolution (S. Con. Res. 10) authorizing the appointment of a joint committee to investigate the causes of the recent riots in East St. Louis, Ill., and to report thereon, was announced as next in order.

Mr. SMOOT. Let that go over.

Mr. SHERMAN. Mr. President, I think the House has fully investigated the subject of these riots, and I believe the concurrent resolution ought to be indefinitely postponed.

The VICE PRESIDENT. Is there any objection? The Chair hears none, and the concurrent resolution will be indefinitely postponed.

WOMAN SUFFRAGE.

The joint resolution (H. J. Res. 200) proposing an amendment to the Constitution of the United States extending the right of suffrage to women was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

ELECTION OF PRESIDENT AND VICE PRESIDENT.

The joint resolution (S. J. Res. 12) proposing an amendment to the Constitution of the United States providing for the election of President and Vice President without the intervention of the electoral college, establishing their term of office from the third Tuesday of January following their election, and fixing the time when the terms of Senators and Representatives shall begin was announced as next in order.

The VICE PRESIDENT. The joint resolution is adversely reported. The question is on its indefinite postponement.

The joint resolution was indefinitely postponed.

BILLS PASSED OVER.

The bill (S. 23) granting to the State of Nevada 7,000,000 acres of land in said State for the use and benefit of the public schools of Nevada and the State University of the State of Nevada was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 90) proposing an amendment to the Constitution of the United States was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 3311) to increase and expedite the supply of munitions of war was announced as next in order.

Mr. CHAMBERLAIN. I ask that that be passed over, Mr. President.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1795) to relieve Congress from the adjudication of private claims against the Government was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 951) to provide for the sinking of artesian wells, and for other purposes, was announced as next in order.

Mr. SMOOT. Mr. President, the Senator from Wisconsin [Mr. LENROOT], I think, is interested in that bill. He is out of the Chamber, and therefore I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

RECLAMATION OF ARID AND SWAMP LANDS.

The bill (S. 758) to increase the productive agricultural area of the United States by the reclamation of arid and swamp lands was announced as next in order.

Mr. HITCHCOCK. Let that go over, Mr. President.

Mr. CHAMBERLAIN. Mr. President, does the Senator from Nebraska insist upon his objection?

Mr. HITCHCOCK. No; but I should like to hear an explanation of the bill.

Mr. CHAMBERLAIN. It is a bill that has been pending on the calendar for a long while and the passage of which has been recommended by the Secretary of the Interior. It is intended to aid in the reclamation not only of arid and semiarid lands but of swamp lands in the South as well. At a time when such an effort is being made to restore lands for settlement and cultivation by the young men who are returning from Europe, it seems to me very important that the bill should be considered and disposed of at this time.

Mr. KING. Mr. President, will the Senator yield?

Mr. CHAMBERLAIN. Certainly.

Mr. KING. In view of the fact that the Interior Department contemplates reporting at an early date, in harmony with the wishes of many Senators and Congressmen, a bill to make provision for the reclamation of the arid lands of the West and the reclamation of swamp lands, and a large appropriation—perhaps \$100,000,000—to provide homes for returning soldiers and sailors, would it not be better to consider this bill in connection with that or to consider that measure in connection with this? In other words, will they not parallel if not duplicate each other in a measure?

Mr. CHAMBERLAIN. Mr. President, I do not think there is much danger of that. This bill has been on the calendar since November, 1917, if I mistake not. At least it has been on the calendar a great many months, and in the last analysis it does not take any money out of the Federal Treasury.

Mr. SMOOT. Mr. President, if this bill becomes a law, I do not think we will have any more money in our reclamation fund to go on with the reclamation projects of the West. This would be the last law on the subject, and if we undertake here to take \$10,000,000 out of the reclamation fund we might just as well conclude now that there will be nothing from that fund to develop the projects that are under way in the West at the present time. I understand that comprehensive plans are under way, and will be reported to Congress in a very short time, for the reclamation of these swamp and arid lands; and I believe that a bill of this kind would simply be in conflict with those plans. The subject matter ought to be covered in a broad way. I am positive that that sort of legislation is under way in the Interior Department. I believe that it will meet the views of the Congress, and instead of having a piecemeal proposition it will be a complete system.

For that reason, Mr. President, I hope no action will be taken on this bill at this time.

Mr. CHAMBERLAIN. Mr. President, the Senator from Utah objected to the consideration of this bill before there was any suggestion of a comprehensive plan for the reclamation of arid and semiarid lands and the reclamation of swamp lands; so I think possibly the Senator has at heart some other objection than the one he is insisting upon.

Of course, I see a disposition upon the part of some of the Senators to object to this, Mr. President; but there are millions of acres of land to which attention has been called by the Secretary of the Interior in the Southern States, particularly in Louisiana and portions of Mississippi and along the Gulf of Mexico, that can be reclaimed just as well as not. The Southern States have never had any benefit from the reclamation fund, and have never asked it. Here is a proposition that does not ask for the appropriation by the Government of any funds whatsoever. I am not going to insist on it if Senators want to turn it down by an objection. I have not been very urgent about it in the past, but it seems to me that it ought to be taken up and disposed of; and I am going to read just a few lines from Secretary Lane's report on this bill. It will be found attached to the calendar number in the bound books that the Senators have on their desks. He says:

The purpose and the plan worked out in the bill has my hearty indorsement. The bill provides for extending the reclamation of irrigable lands in the arid and semiarid regions, and will also provide for the drainage and reclamation of water-logged lands in the said regions, as well as drainage in other parts of the country. Under the plan proposed in the bill these results will be accomplished in all probability without drawing upon the public funds.

That is what I am calling attention to. The Senator suggests that if this bill is passed there will be no more money appropriated for the reclamation of arid lands in the West. I say that it will aid in the reclamation of arid and semiarid lands in the West.

Mr. KING. Mr. President, will the Senator yield?

Mr. CHAMBERLAIN. Yes; I yield.

Mr. KING. I ask the Senator if the statement which he has just made—namely, that if this bill passes it will draw upon the reclamation fund—would not result in taking funds which have been provided by Congress for the purpose of developing the arid lands of the West and placing them at the disposal of the Secretary of the Interior for disposition in the Southern States or upon private lands in other parts of the Union?

Mr. CHAMBERLAIN. But this provides for a fund to reimburse the moneys which are temporarily taken from the reclamation fund. Let me call the attention of the Senator to a further extract from Secretary Lane's report:

There is little likelihood of default in the payment of the principal and interest on the district bonds upon which the certificates of indebtedness are based. This seems so for the reason that the works will be constructed by the United States and paid for by the beneficiaries at cost, and they will doubtless be able to meet the comparatively light charges, on account of the long-time bonds to be issued by the districts, and for these same reasons the investing public will have confidence in the feasibility and success of the plan, so that I feel reasonably sure that the certificates of indebtedness will be freely purchased by the public.

So that while money is temporarily drawn from the reclamation fund it is not a permanent withdrawal, and in my opinion it will have a more beneficial effect toward reclaiming lands than even the reclamation act itself. But if there is a disposition to object to it, to await some future plans of the Secretary of the Interior—and he has at no time intimated that he intends to present a plan that is in conflict with this—I am not going to insist on it in view of that feeling.

Mr. THOMAS. Mr. President, I am in very deep sympathy with the purposes sought to be effected by the enactment of this bill. I want to see something of the kind enacted at an early date; and if this measure did not embrace the proposition of diverting the reclamation fund, or part of it, from the purposes to which it was devoted by law, I would support it cheerfully, notwithstanding it calls for a large appropriation. But when the reclamation law was passed it was passed upon the express condition and understanding that the funds derived from the sale of public lands within these areas should be utilized for that purpose, and for that purpose only; and I do not think I overstate the situation when I say that but for that arrangement the reclamation act never could have commanded a majority in either House.

That fund is charged by law with a trust, and that trust was made a condition to the enactment of the bill. If, now, we legislate in such wise as to divert that fund even temporarily from the purposes to which it is devoted, I think it is to some extent bad faith exhibited and effected through subsequent legislation.

If the Senator will amend the bill so as to provide for obtaining the money necessary for this purpose from other sources, I will support it; but I do not feel at liberty, under the circumstances, to favor a measure which treats a fund charged with a trust in the manner that it is proposed to be treated here. Of course, in saying that, I am aware of the fact that the bill has the approval of the Secretary of the Interior, and that it is presented here by my friend, the Senator from Oregon, doubtless upon the assumption that this law, too, can be enacted only by utilizing the fund which it proposes to apply to the purposes of the bill.

Mr. WILLIAMS. Mr. President, I doubt whether anybody has sufficient ingenuity to discover why the United States Government ought, at the expense of the general taxpayers, to put water on land without admitting at the same time an equal right to take water off of land.

Mr. THOMAS. There is no doubt about that.

Mr. WILLIAMS. Now, if that be true—and the Senator from Colorado says there is no doubt about it—then it seems to me that this fund for the purpose of the reclamation of land, whether by putting water on it or by taking water off of it, whichever might be needed, ought to be a common fund in the interest of the entire people of the United States. It ought not to be a selfish, sectional fund, in the interest of one section. As far as I am personally concerned, I have always somewhat doubted the right to do either, and I think the Supreme Court of the United States virtually decided that the Government did not have a right to do either; but Congress has been doing it. It has been doing it every year. If you are going to run the plow with the right hand, there is no reason why you should not run it with both hands. The plow will be steadier, I am sure, in the furrow.

In Louisiana especially, in Arkansas to a little less degree, and in Mississippi to a yet somewhat less degree there are immense areas of lands of the highest fertility, equal to the very valley of the Nile itself—

Mr. CHAMBERLAIN. Mr. President, may I make a suggestion to the Senator? This bill is fairer in one respect than any other bill that we have had for the consideration of Congress, in that it provides for the organization of districts in overflowed and in semiarid regions, and the people themselves eventually pay the money.

Mr. WILLIAMS. Yes; and while that might be logically an objection to the bill, upon the ground that it does not put the

man with too much water on the same footing with the man with too little water, it is still an argument practically in favor of the passage of the bill, because it costs the taxpayers less money in the long run. The real truth is that both of them ought to have been put upon the same footing at the very beginning. A man with too much water has just as much right to have it taken off at the general expense as the man with too little water has a right to have it put on at the general expense. I have always had my doubts whether the general expense ought to have borne either; but you have started out in that direction, and it has been going in that direction.

As the Senator from Oregon says, this bill goes a step or two beyond what justice and equity require, because it establishes a sort of revolving fund as to these lands that are going to be reclaimed by taking the water off of them, whereas all of us know that the so-called revolving fund for irrigated land is purely a matter of imagination.

Mr. THOMAS. It is the same fund.

Mr. WILLIAMS. I understand that; but that part of it which goes to reclamation by taking the water off will be paid back. That part of it which goes to reclamation by putting water on will never be paid back, as you and I both know.

Mr. THOMAS. I do not think either of them will be.

Mr. WILLIAMS. I think it will be because the bill undoubtedly fixes the machinery whereby it will be paid back.

The VICE PRESIDENT. Is there objection to the consideration of the bill.

Mr. TRAMMELL. Mr. President, I am very reluctant to oppose the passage of this measure at this time, but I am heartily in sympathy with the view expressed by some other Senators that the subject should be considered as a whole. We know from the history of the reclamation of the arid lands of the West that that particular section of the country has enjoyed exclusively the bounty of the Federal Government. Up to the present time there has not been a disposition to grant assistance to reclaim the swamp and overflowed lands, but at present there seems to be a ray of hope that the Government will deal justly and equally with all the lands throughout the country which require reclamation and that the overflowed lands will be included as well as the arid lands of the West.

Far be it from me, Mr. President, to object to the reclamation of the arid lands of the West, but I feel in justice that we should have a general measure which will include the swamp and overflowed lands. Take my own State. We have there a vast territory of approximately 4,000,000 acres of rich and productive land.

Mr. PITTMAN. Has the Senator any plan by which the Government could develop State lands? I assume that, being swamp lands, they are nearly all State lands now.

Mr. TRAMMELL. Of the swamp lands, possibly 40 per cent are State lands.

Mr. PITTMAN. There is no plan by which the Government can develop State lands.

Mr. TRAMMELL. There is no plan now, but we might work out a plan. The swamp and overflowed lands of the State are, in a large measure, in a particular territory known as the Everglades of Florida. The State government owns about one and one-half million acres of the land in that territory and private individuals own two and one-half million acres. That is about the way in which the ownership is divided at the present time.

Mr. THOMAS. May I ask the Senator if the private ownership is not due to arrangements and contracts between the Government and the owners for the drainage and reclamation of the lands?

Mr. TRAMMELL. We have never had any arrangements of that kind up to the present time.

Mr. THOMAS. I had some clients in the Senator's State some years ago, who had purchased a very large tract of land from the State, and the contract provided that the consideration for the land should be used by the State authorities for the purpose of drainage.

Mr. TRAMMELL. That statement is correct with regard to some of the sales in the early inception of the reclamation project in Florida upon what is known as the Everglades territory. The land board having charge of State lands did agree that the proceeds from certain land sales should be used for the purpose of drainage and reclamation, and that has been done. We have there a vast territory of about 4,000,000 acres of land, which is in process of reclamation at the present time, and there is no more productive or valuable land in the United States when once reclaimed. The Everglades of Florida, the immense drainage district of which I am speaking, is not a swamp, as is commonly supposed throughout the country.

In my boyhood in studying geography I formed the impression that it was an impenetrable swamp, where you could scarcely make your way through the jungle; but later on, when the reclamation project was agitated and we became better informed in Florida, we found that, instead of its being a swamp, this 4,000,000 acres of land is a vast open territory resembling very largely a water-covered prairie, and instead of being swamp land, requiring enormous expense for clearing, we have there an open territory where if you once take the water off the land you can prepare it for cultivation for the small sum of from three to six or eight dollars per acre, depending more or less upon the location.

Mr. KING. Mr. President, will the Senator yield to me?

Mr. TRAMMELL. Certainly.

Mr. KING. Is the title to the land the Senator is now describing in the State or in the Federal Government?

Mr. TRAMMELL. About 1,500,000 acres of it belong to the State and about 2,500,000 acres belong to private individuals.

Mr. SMITH of Arizona. It belongs either to the State or to private individuals?

Mr. TRAMMELL. Yes.

Mr. KING. Will the Senator indicate what warrant there is for the utilization of the taxes collected for Federal purposes for the reclamation of private lands and lands owned by the State of Florida?

Mr. TRAMMELL. You have the property as security, just as you have when the Federal Government contributes funds for the reclamation of arid lands.

Mr. KING. If the Senator will pardon me—

Mr. TRAMMELL. You have the land as security.

Mr. KING. The arid lands of the West that have been reclaimed belong to the Government of the United States, and the only way by which the land could be sold—and that was the theory upon which the legislation was warranted, as I understand it—was to develop those lands; that is to say, put water on them. The lands were absolutely valueless unless there was water for their irrigation, and the Government, in order to sell the land as well as to furnish homes for citizens who desired homes, made an appropriation in the shape of a revolving fund which has been utilized for the construction of reservoirs and irrigation systems in order to irrigate the land. It is clear that there is a distinction between lands owned by the Government itself and lands owned by States and by private individuals. Speaking for myself, I see no authority whatever on the part of the Federal Government to take money out of the Treasury to develop private lands.

Mr. WILLIAMS. Will the Senator pardon an interruption there?

Mr. KING. Yes.

Mr. WILLIAMS. Unfortunately for his logic, the facts do not accord with his statement. The State of Texas, for example, has received its share of moneys to develop arid lands, and the State of Texas owned every acre; the Federal Government owned none of it.

Mr. KING. I think the Senator is in error. The State of Texas has not received a single dollar, and my advices are that no State has received any money, but the money has been expended for the purpose of reclaiming the lands belonging to the Government of the United States.

Mr. WILLIAMS. I am relying merely on my memory, but if in the House of Representatives some 15 years ago an amendment did not go on one of the irrigation bills to include Texas, then I am very much mistaken.

Mr. SMITH of Arizona. The Senator is mistaken.

Mr. THOMAS. It went on there, but it never became a law.

The VICE PRESIDENT. The Senator from Florida has had 5 minutes, and the debate has taken 10. The question is, Are you going to send the bill over?

Mr. SMITH of Arizona. I object, if that will end the debate.

Mr. THOMAS. I shall object.

The VICE PRESIDENT. Objection is made, and the bill goes over. This is Calendar Monday, and it was supposed to be for the purpose of disposing of the calendar, not engaging in general discussion.

BILLS PASSED OVER.

The next business on the calendar was the joint resolution (S. J. Res. 132) to amend section 14 of the food-control act by increasing the guaranteed minimum price of wheat for the crop of 1918 from \$2 to \$2.50 a bushel.

Mr. KING. Let that go over.

The VICE PRESIDENT. It will go over.

The bill (S. 4185) to require the Commissioner of Education to devise methods and promote plans for the elimination of adult illiteracy in the United States was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will go over.

The bill (S. 3899) to repeal the sixth section of an act approved July 12, 1882, entitled "An act to enable national banking associations to extend their corporate existence, and for other purposes," was announced as next in order.

Mr. SMOOT and Mr. KING. Let the bill go over.

The VICE PRESIDENT. It will go over.

The bill (H. R. 10691) to amend section 5200 of the Revised Statutes as amended was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. It will go over.

The bill (S. 3893) to amend and reenact section 5239, Revised Statutes of the United States, was announced as next in order.

Mr. SMOOT. I ask that this and all the bills down to and including Order of Business 345, Senate bill 3904, be passed over.

The VICE PRESIDENT. They will be passed over.

The next business on the calendar was Senate resolution 229, to request the Committee on Foreign Relations, to which was referred Senate joint resolution 145, to give said resolution early consideration and report to the Senate thereon.

Mr. PITTMAN. Let that go over.

The VICE PRESIDENT. It will go over.

The bill (S. 3907) to provide for the consolidation of national banking associations was announced as next in order.

Mr. SMOOT. Let that go over, and also the next order of business, Senate bill 4426.

The VICE PRESIDENT. The bills will be passed over.

PINEY BRANCH ROAD.

The bill (S. 3172) to provide for the abandonment of Piney Branch Road, between Allison Street and Buchanan Street NW., in the District of Columbia, was considered as in Committee of the Whole.

The bill was reported from the Committee on the District of Columbia with an amendment, in line 5, after the word "Street," to insert the words "for traffic," so as to make the bill read:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and they are hereby, authorized and directed, upon the opening of Buchanan Street for traffic between Piney Branch Road and Sixteenth Street NW., in the District of Columbia, to abandon as a public highway that part of Piney Branch Road lying between the north line of Allison Street and the south line of Buchanan Street, and the title to the land contained in said abandoned part of road shall revert to the owners of the land abutting thereon.

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The VICE PRESIDENT. The Committee on the District of Columbia report to strike out the preamble. Without objection, the preamble will be stricken out.

PUBLIC AND NATIONAL FOREST LANDS IN ARIZONA.

The bill (S. 3914) authorizing a right of way for the transportation of water for improvement of grazing and development of the live-stock industry upon public and national forest lands in Arizona was considered as in Committee of the Whole.

The bill had been reported from the Committee on Public Lands, with amendments.

The first amendment was, in section 1, page 1, line 5, after the word "firm," to strike out the word "person" and insert "citizen"; in the same line, after "association," to insert "of citizens"; and in the same line after the word "corporation," to insert "of the United States"; on page 2, line 10, after the word "Provided," to strike out "That said approval of the Secretary of the Interior shall be given within or through any national forest only upon such conditions and stipulations as the Secretary of Agriculture may require," and insert "That said approval of the Secretary of the Interior shall not be given within or through any national forest, except with the approval of the Secretary of Agriculture and under such conditions and stipulations as the latter may require for the fullest utilization and proper administration of the national forest, and such approval may be withheld whenever, in the opinion of the Secretary of Agriculture, it would not be to the best interests of the national forests," so as to make the section read:

That, subject to the approval of the Secretary of the Interior, as hereinafter provided, there are hereby granted to any firm, citizen, association of citizens, or corporation of the United States engaged in the live-stock industry in the State of Arizona, easements and rights of way in and over national forests, public lands, and reservations of the United States, surveyed or unsurveyed, in said State of Arizona for reservoirs, canals, pipe lines, flumes, tunnels, or other water conduits and waterworks and appurtenances, for the purpose of furnishing water to live stock and for other beneficial purposes connected with the live-stock industry. Upon the filing by the grantee of maps and other pertinent data showing the location and character of such easements and rights of way, and the approval thereof by the said Secretary, all lands, whether surveyed or unsurveyed, in or over which such ease-

ments and rights of way shall extend, shall be disposed of subject to such easements and rights of way: *Provided*, That said approval of the Secretary of the Interior shall not be given within or through any national forest except with the approval of the Secretary of Agriculture and under such conditions and stipulations as the latter may require for the fullest utilization and proper administration, etc.

The amendment was agreed to.

The next amendment was, in section 2, page 2, line 24, after the word "after," to insert "a date to be fixed by the Secretary of the Interior and not exceeding"; and on page 3, line 1, after the word "of," to strike out "this act" and insert "approval of the Secretary of the Interior," so as to make the section read:

SEC. 2. That the grant herein authorized shall be upon the express condition that from and after a date to be fixed by the Secretary of the Interior and not exceeding 50 years from the date of approval of the Secretary of the Interior the United States shall have the right to take over the easements and rights of way herein granted and any other property of grantees dependent in whole or in part for its usefulness upon such easements and rights of way, and upon condition that it shall pay, before taking possession, the reasonable value of all property taken over, including structures and fixtures acquired, erected, or placed upon the lands and included in the water plant, such reasonable value to be determined by the Secretary of the Interior: *Provided*, That such reasonable value shall not include or be construed to mean or be affected by the value of the franchise, good will, or profits to be earned on pending contracts or any other intangible element.

The amendment was agreed to.

The next amendment was to strike out, in section 3, the following words:

That if any grantee shall fail to construct such reservoirs and water conduits within five years from and after the date of this act, or thereafter shall fail to utilize and maintain the same for any continuous period of five years, the grant may be forfeited by appropriate proceedings in the United States district court for the district in which such property or some part thereof is attached.

And to insert:

That all or any part of such rights of way shall be forfeited and annulled by the Secretary of the Interior upon proper finding by the head of the department having jurisdiction over the land, of failure to complete construction within five years, or for nonuse for a period of two years.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ETHEL PROCTOR.

The bill (S. 3258) for the relief of Ethel Proctor was announced as next in order.

Mr. KING. I see that the Senator from Michigan [Mr. SMITH] is here. Before consenting to the consideration of the bill I should like to hear an explanation of it.

Mr. SMITH of Michigan. The truth is that the committee, after reducing the bill more than one-half, concluded to vote to the widow of Mr. Proctor, who was one of the early sanitary engineers of the Panama Canal, the sum of \$2,100. Mr. Proctor, according to the chief of the sanitary experts down there, from 1912 up to the time of his death was a very efficient man. In the streams and marshes, and so forth, he was really a martyr to that work, and his life was given to his country in that service.

Mr. THOMAS. Will the Senator from Michigan yield?

Mr. SMITH of Michigan. Yes.

Mr. THOMAS. I am opposed, as the Senator knows, to the granting of pensions except in meritorious cases. I have read the report accompanying the bill, and I think it is one of the most meritorious instances that has ever come before the Senate.

Mr. SMITH of Michigan. I am obliged to the Senator. I do not think I need say anything more about it. It is an exceptionally meritorious case.

Mr. SMOOT. I have no doubt that the reduction of the amount asked, from \$5,000 to \$2,100, is in conformity with the rule of the Senate, and not only the rule of the Senate but the law that a year's salary shall be paid to one dying while in the employ of the Government in the Canal Zone. I suppose Mr. Proctor received \$2,100 a year when he was working on the Canal Zone.

Mr. SMITH of Michigan. The Senator is correct.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Claims with an amendment, on line 7, to strike out "\$5,000" and insert "\$2,100," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury of the United States not otherwise appropriated, to Ethel Proctor, widow of Almon R. Proctor, the sum of \$2,100 to compensate her for the death of her husband on June 26, 1912, due to malarial poisoning contracted while in the discharge of his duty as sanitary inspector on the Panama Canal in the employ of the Isthmian Canal Commission.

The amendment was agreed to.

The bill was reported to the Senate, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER.

The bill (S. 3260) to remove the charge of desertion from the record of Wilbur F. Lawton was next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. It will go over.

The bill (S. 4459) to amend an act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917, was announced as next in order.

Mr. CHAMBERLAIN. That may go over temporarily.

The VICE PRESIDENT. It will go over.

Senate resolution 249, to print the article entitled "The Electoral College and Presidential Suffrage" as a Senate document, was announced as next in order.

Mr. FLETCHER. Let that go over.

The VICE PRESIDENT. It will go over.

The bill (S. 2923) for the relief of the Philippine Scouts was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. It will go over.

The bill (S. 4221) for the relief of private owners of lands within or near the Bitterroot National Forest, Mont., was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. It will go over.

WAR COLLEGE LIBRARY.

The bill (S. 4366) to amend section 5 of an act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1914, and for other purposes," approved June 23, 1913 (38 Stats. L., p. 475), was announced as next in order.

Mr. SMOOT. I notice that there is no report filed with this bill. If there is no one very deeply interested in it, I should like to have it go over until I can get the report.

Mr. FLETCHER. The Senator will find a report with the bill.

Mr. SMOOT. I will say to the Senator that on my calendar there is no report filed with the bill. I ask the Secretary if there is a report accompanying the bill?

The SECRETARY. Report No. 481.

Mr. SMOOT. Let the bill go over.

The VICE PRESIDENT. The bill will go over.

Mr. FLETCHER. Mr. President, with the permission of the Senate, before we pass from the consideration of Senate bill 4366, I desire to say it seems that the War College is one of the depository libraries, and that it is getting a vast amount of documents with no place to put them. This legislation is simply to relieve them of that burden and allow them to transfer the documents. The War Department states:

It would seem that the librarian should be authorized by act of Congress to return such public documents to the superintendent of documents as do not fall within the scope of the collection of the library.

This measure is to enable these libraries to get rid of a lot of stuff which they can not use.

Mr. SMOOT. I was wondering whether or not "the stuff" which it is proposed to authorize them to return is worth the postage which will be required to carry it from where it is to-day back to Washington.

Mr. FLETCHER. This applies to the War College right here in Washington, as I take it.

Mr. SMOOT. It is at the War College?

Mr. FLETCHER. Yes; it is at the War College.

Mr. SMOOT. The only addition there is in reference to the librarian.

Mr. FLETCHER. Well, it will not hurt for the bill to go over, anyway, and I will get a copy of the report.

JOHN H. ARMSTRONG.

The bill (S. 3269) to remove the charge of desertion from the military record of John H. Armstrong was announced as next in order.

Mr. THOMAS. Let that bill go over, Mr. President.

The VICE PRESIDENT. The bill goes over.

ADDITIONAL PROBATION OFFICER FOR THE DISTRICT.

The bill (H. R. 10891) to amend and reenact an act for the establishment of a probation system for the District of Columbia was announced as next in order.

Mr. KING. Let that bill go over, Mr. President.

Mr. POMERENE. I hope the Senator from Utah will withdraw his objection for a moment.

Mr. KING. I will withhold the objection for a moment.

Mr. POMERENE. The chairman of the Committee on the District of Columbia [Mr. SMITH of Maryland] has sent word to me that he is very anxious to have this bill passed. I may say, in explanation of it, that the only respect in which it proposes to change the present law is that in the police court of the District the probation work has become so extensive that they need an additional assistant probation officer and also a stenographer and typewriter. This bill provides for two assistant probation officers instead of one, as heretofore, at a salary of \$1,200, and for a stenographer at a salary of \$1,200. I think from what I have learned that the legislation is very much needed.

Mr. KING. I should like to ask the Senator from Ohio what number of employees now has the probation department of the police court?

Mr. POMERENE. I am not able to answer that; but allow me to say, as shedding some light upon the matter, that I am advised that there are a number of public-spirited women in the District of Columbia who are now voluntarily acting without compensation as probation officers. The work, however, has become so extended that they are not able to attend to it, and they are asking for this legislation.

Mr. KING. Mr. President, I shall not object to the consideration of the bill, but I should like to know the personnel of this bureau or agency of the municipality. There is a disposition to increase the number of officers in all departments and bureaus and agencies of the Government, and it will always be found that those who are filling these positions find some excuse or pretext for an augmentation of salaries and an increase in the number to be added to the department or agency of the municipality.

Mr. POMERENE. I realize the tendency in that direction, but I think we all agree that here in the city of Washington there has been a very large increase in population during the last year or two. I think that reason, if no other, would to some extent explain the need for additional officers.

Mr. SMOOT. The only reason for the additional help proposed to be provided by this bill is that there is a great increase in the population of the District at the present time?

Mr. POMERENE. I think that that is the reason for it; yes.

Mr. SMOOT. I thought, of course, that that was the reason for it. It seems to me when normal conditions return here we ought to go back to the number of officers we have to-day. There is nothing, however, in this bill proposing to limit the appointment of these officials.

Mr. POMERENE. Mr. President, there is force in the Senator's suggestion, but allow me to say that if it develops later on that this additional assistant is not needed we can change the law, and I shall certainly be very glad to have it changed if later it is found that it is not necessary.

Mr. SMOOT. Mr. President, I simply want to say that I am not going to object to the consideration of the bill, but to get a person off the statutory roll is something that very seldom ever happens in the history of the United States. I am afraid if they go on the roll they will remain there forever and ever hereafter.

Mr. KING. I shall ask leave to amend the bill by making it expire by limitation in one year. I will not consent to the consideration of the bill unless it shall be agreed that that amendment shall be made to it.

Mr. POMERENE. I have not sufficient information at hand to even suggest to the Senator from Utah that this legislation should be continued, but if what he suggests is an objection I shall accept the amendment for the present with that understanding. I think I ought to say that I understand that the House committee went into this subject very fully, and if the amendment does not meet their approval the matter can be worked out in conference.

Mr. KING. But with the information furnished us I should not feel like making this a permanent addition to the personnel of that agency. I shall, therefore, ask that the bill be amended limiting its operation to one year.

Mr. POMERENE. Will the Senator from Utah suggest where such an amendment should be inserted?

Mr. KING. I have not a copy of the bill before me.

Mr. FLETCHER. It appears, Mr. President, from the report on the bill that at present the paid official personnel consists of one probation officer and one assistant probation officer. So it seems as if they need this assistant permanently. I do not very well see how they can perform all the duties which devolve upon them. I shall not object to the amendment, however, but I am inclined to think that this provision should be made permanent.

Mr. KING. The bill is so intertwined with the existing statute that it is very difficult to amend it. I suggest to the Senator

that he allow the bill to be passed over to give me an opportunity to examine it and prepare the necessary amendment.

Mr. POMERENE. And we can take it up a little later?

Mr. KING. Yes. I ask that the bill go over.

Mr. POMERENE. I can give the Senator a little information which I find in the report as to the amount of business transacted. The judges of the police court of the District of Columbia, under date of March 21, 1918, sent a letter to the chairman of the District Committee of the House, in which they say, among other things:

Last year the police court collected in fines the sum of \$165,554.82. There were 35,645 persons arrested and charged with offenses in court; 18,461 paid fines and 7,559 were committed to jail in default of the payment of fines. There were 9,612 cases of public intoxication, 6,276 being white persons and 3,336 colored.

The court released on probation 1,927 persons.

That is quite a little army for one probation officer and his assistant to look after. I am willing, however, that the bill shall be passed over temporarily.

Mr. FLETCHER. May I suggest that in line 9, page 2, if the Senator from Utah desires to insist upon the amendment of the bill, that it be amended by inserting, after the words "per annum," the words "for one year," so that it would read: "and one stenographer and typist at a salary of \$1,200 per annum for one year"?

Mr. KING. I accept the suggestion of the Senator from Florida as the amendment to be offered.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 2, line 9, after the words "per annum," it is proposed to insert the words "for one year," so as to read:

One stenographer and typist at a salary of \$1,200 per annum for one year.

Mr. POMERENE. Then another amendment should be made before that with reference to the two assistant probation officers at a salary of \$1,200 each. Did the Senator from Florida suggest an amendment there?

Mr. FLETCHER. I did not notice that.

Mr. KING. I think perhaps it will be better to adhere to my suggestion and pass the bill over for the present.

Mr. POMERENE. Very well; and I will call it up later.

The VICE PRESIDENT. The bill will be passed over.

BILL PASSED OVER.

The bill (S. 3379) to authorize the Secretary of the Interior to exchange public coal lands for private coal lands in certain cases was announced as next in order.

Mr. SMOOT. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

HIGHWAY TO NATIONAL MONUMENTS.

The bill (S. 4439) to provide for the survey of a national highway connecting certain national monuments in the States of Utah, Arizona, and New Mexico was considered as in Committee of the Whole. It directs the Secretary of Agriculture to survey and examine a feasible route or routes for a national highway which shall connect the Mukuntweap National Monument, the Grand Canyon National Monument, the Mesa Verde National Park, the Rainbow Bridge National Monument, and the Natural Bridges National Monument, in the States of Utah, Arizona, and New Mexico, and provides that upon completion of the survey the Secretary of Agriculture shall make a report on the subject to the Congress. And to carry out the provisions of the bill there is appropriated the sum of \$20,000, or as much thereof as may be necessary.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

SCHOOL LANDS IN OREGON.

The bill (S. 2494) to provide for the exchange with the State of Oregon of certain school lands and indemnity rights within the national forests of that State for an equal area of national forest land was considered as in Committee of the Whole. It authorizes the State of Oregon to select, with the approval of the Secretary of Agriculture, a compact body of not to exceed 40,000 acres of unappropriated nonmineral land within townships 10 and 11 south, ranges 5 and 6 east, Willamette meridian, in the Santiam National Forest, Oreg., to be maintained as a State forest, to secure its highest permanent usefulness to the State of Oregon, and particularly to the common schools to which its resources are devoted, and to State forestry demonstration and education, and authorizes the Secretary of the Interior to grant and convey the selection to the State of Oregon for the purposes hereinbefore mentioned. In exchange for the selected lands the State shall reconvey and relinquish to the United States a good and sufficient title to an approximately equal area

of unencumbered sections 16 and 36, or parts thereof, of substantial forest values satisfactory to the Secretary of Agriculture, within the national forests of Oregon, granted to said State, or indemnity rights within such national forests to which the State is entitled therefor, and the lands reconveyed and relinquished as base lands shall immediately become parts of the national forest in which they are situated. The lands conveyed to the State shall be at all times subject to use by the United States for the construction, maintenance, and operation of roads, trails, telephone or telegraph lines needed in the administration of the contiguous national forest areas.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

RETENTION OF UNIFORMS.

Mr. CHAMBERLAIN. Mr. President, I hope Senators will allow the Senate to take up at this time the bill with reference to the retention by discharged soldiers of their uniforms. I ask unanimous consent for the immediate consideration of the bill (H. R. 13366) permitting any person who has served in the United States Army, Navy, or Marine Corps in the present war to retain his uniform and personal equipment, and to wear the same under certain conditions.

Mr. President, the reason for asking for the immediate consideration of this bill is that these young men are going home now with the understanding that they will have to surrender their uniforms.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. POINDEXTER. Mr. President, I should like to ask the Senator from Oregon what is the status of the legislation which has been suggested for the payment of a month's salary to the soldiers as they are discharged?

Mr. CHAMBERLAIN. Mr. President, I was going to suggest as an amendment to this bill the amendment which was embodied in the revenue bill, which, I understand, is the amendment to which the Senator from Washington refers.

Mr. POINDEXTER. I was going to suggest that amendment, but I will be very glad if the Senator will suggest it. It struck me as being an opportunity to get some action upon that matter in circumstances which are more or less aggravated.

Mr. CHAMBERLAIN. The amendment which was attached to the revenue bill was as follows:

That all officers and enlisted personnel of the Army, Navy, and Marine Corps, serving the United States in the war against Germany, who have been honorably discharged from the service since November 11, 1918, or who may hereafter be honorably discharged, shall be paid one month's salary in addition to the regular pay heretofore authorized.

Mr. FLETCHER. That amendment is in conference now, and I do not see anything to be gained by putting it on this bill. This is a House bill, and I wish we might pass it just exactly as it is so as to conclude the subject matter of this bill. I do not think we would make much headway by putting an amendment on this bill and having it go to conference. The revenue bill will undoubtedly pass eventually, and I do not believe there is any objection to the amendment referred to by the Senator from Oregon remaining on that bill.

Mr. SMOOT. Mr. President, I will say to the Senator that I have not any doubt the conferees on the revenue bill will agree to the amendment to that bill to which reference has been made. That being the case, I doubt the wisdom of putting another amendment to the same effect upon this bill at this time.

Mr. KING. If the amendment be added to this bill, it will send the bill to conference.

Mr. POINDEXTER. Mr. President, probably the suggestion of the Senator from Florida is a wise one, in view of the statement that this legislation will probably be agreed to by the conferees on the revenue bill; but I should like to say a word, to the effect that an important feature of this proposition is the need for prompt action. The need for this relief is now greater than it will be at any other time. The soldiers are being very rapidly discharged. Some soldiers can take care of themselves under any circumstances, and we hear no complaint from them; but soldiers come from the body of the people and represent all the varying types and conditions of men, and a great many of them, through causes sometimes over which they have no control whatever, and sometimes through the fault of the War Department in failing to pay them their salaries, in some cases salaries being delinquent for five or six months, are discharged from the Army with no funds whatever, and furnished the bare means of transportation back to some point which frequently is not their home. I know of cases where young men who had lived on the Pacific coast were sent back to Chicago

because they happened to be enlisted in Chicago, 1,500 miles from home, without any money. That is discreditable to the Government, and it ought to be remedied as soon as possible.

Mr. JONES of Washington. Mr. President, I understand that unanimous consent has been given to have the bill considered. Is that correct?

The VICE PRESIDENT. There was no objection to the consideration of the bill.

Mr. JONES of Washington. I desire to offer an amendment in the nature of an additional section.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. It is proposed to add at the end of the bill a new section, as follows:

SEC. 4. That section 126 of an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," be amended to read as follows:

"SEC. 126. That an enlisted man discharged from the Army, Navy, or Marine Corps service, except by way of punishment for an offense, shall receive 5 cents per mile from the place of his discharge to his actual bona fide home or residence, or original muster into the service, at his option: *Provided*, That for sea travel on discharge, transportation and subsistence only shall be furnished to enlisted men."

Mr. SMOOT. Mr. President, I should like to ask the Senator if that is not the practice to-day?

Mr. JONES of Washington. No; not quite. The law to-day is to pay three and a half cents a mile to men discharged from the Army, and 4 cents a mile to those discharged from the Navy. I think, however, this is paid only to the place of their muster in. They do not have the option of going to their homes, as suggested by my colleague a moment ago. It meets that situation.

Mr. POINDEXTER. Mr. President, my colleague is entirely correct in that statement, as I have it from the War Department authoritatively.

Mr. SHEPPARD. I know of some Texas soldiers who were ordered to San Francisco to be mustered out, when they could have been mustered out in Texas and would have preferred to have had that done.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Washington.

The amendment was agreed to.

Mr. CHAMBERLAIN. Mr. President, I am going to offer the amendment that was attached to the revenue bill. I have no desire to claim the authorship of the amendment which was added to that bill. I think it was proposed by the Senator from Florida [Mr. TRAMMELL], and he is entitled to any credit there may be for it; but I suggest it as an amendment to this bill, first, because I think it will hasten its enactment, and, second, because I think it is a very bad plan to put a lot of military legislation in revenue bills and in appropriation bills.

Mr. SMOOT. As long as this bill now has to go to conference anyhow, I see no particular objection.

Mr. CHAMBERLAIN. There have been amendments attached as riders to appropriation bills seriously affecting the Army, some of which I might call attention to, but I am not going to do it now, and some of which would not have been made permanent statutes except for the fact that they went in as riders to appropriation bills. I think the proper place to have this amendment is in the present bill. I therefore offer it as an amendment.

The VICE PRESIDENT. The amendment offered by the Senator from Oregon will be read.

The SECRETARY. Add as a new section the following:

SEC. —. That all officers and enlisted personnel of the Army, Navy, and Marine Corps serving the United States in the war against Germany who have been honorably discharged from the service since November 11, 1918, or who may hereafter be honorably discharged shall be paid one month's salary in addition to the regular pay heretofore authorized.

Mr. TRAMMELL. Mr. President, I should like to see the amendment adopted that has been offered by the Senator from Oregon. I feel confident that it can not delay the matter. It will probably expedite the enactment into law of this provision, and will give relief to the soldiers at a time when a great many of them are sorely in need of it.

I hope, as I say, that the amendment will be adopted.

Mr. JONES of Washington. The only question I have about it is that I should like to see a little bit more than 30 days' pay given; but it might delay and endanger the passage of this bill, and so I shall not offer that amendment. What I fear, however, is that when we adopt the 30 days' provision we will never give any additional pay. I doubt if 30 days' pay is enough.

The VICE PRESIDENT. The question is on the amendment of the Senator from Oregon.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ENLISTMENT IN REGULAR ARMY.

Mr. CHAMBERLAIN. Mr. President, there is one other bill on the calendar that is of a good deal of importance to the Military Establishment at this time, and I ask unanimous consent that it may be considered. It is Senate bill 5279, to authorize the resumption of voluntary enlistment in the Regular Army, and for other purposes. It is to remove restrictions against voluntary enlistments, which were practically abolished by the act of May 18, 1917.

The VICE PRESIDENT. The Senator from Oregon asks unanimous consent for the present consideration of a bill the title of which will be stated by the Secretary.

The SECRETARY. A bill (S. 5279) to authorize the resumption of voluntary enlistment in the Regular Army, and for other purposes.

The VICE PRESIDENT. Is there any objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill which was read, as follows:

Be it enacted, etc., That so much of sections 7 and 14 of the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917, as impose restrictions upon enlistments in the Regular Army, are hereby repealed in so far as they apply to enlistments and reenlistments in the Regular Army after the date of approval of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF FEDERAL RESERVE ACT.

Mr. HITCHCOCK. I ask unanimous consent for the present consideration of Senate bill 5236, to amend sections 7, 10, and 11 of the Federal reserve act, and section 5172, Revised Statutes of the United States.

The VICE PRESIDENT. Is there any objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with amendments.

The VICE PRESIDENT. The bill has been read. The amendments of the committee will be stated.

The first amendment was, on page 2, after line 9, strike out:

Sec. 2. That that part of section 10 of the Federal reserve act which reads as follows: "The members of said board, the Secretary of the Treasury, the Assistant Secretaries of the Treasury, and the Comptroller of the Currency shall be ineligible during the time they are in office and for two years thereafter to hold any office, position, or employment in any member bank," be amended to read as follows:

"The Secretary of the Treasury, the Assistant Secretaries of the Treasury, and the Comptroller of the Currency shall be ineligible during the time they are in office and for two years thereafter to hold any office, position, or employment in any member bank. The members of the Federal Reserve Board shall be ineligible during the time they are in office or during the term for which they were appointed to hold any office, position, or employment in any member bank."

The amendment was agreed to.

The next amendment was, on page 3, line 3, to change the number of the section from "3" to "2."

The amendment was agreed to.

The next amendment was, on page 3, line 9, after the word "power," to insert "from time to time by general ruling covering all districts alike," so as to read:

Sec. 2. That section 11 of the Federal reserve act as amended by the act of September 7, 1916, be further amended by striking out the whole of subsection (m) and by substituting therefor a subsection to read as follows:

"(m) Upon the affirmative vote of not less than five of its members the Federal Reserve Board shall have power from time to time by general ruling covering all districts alike to permit Federal reserve banks to discount for any member bank notes, drafts, or bills of exchange bearing the signature or indorsement of any one borrower in excess of the amount permitted by section 9 and section 13 of this act, but in no case to exceed 20 per cent of the member bank's capital and surplus.

The amendment was agreed to.

The next amendment was, on page 3, line 20, after the words "United States," to strike out "issued since April 24, 1917," so as to read:

Provided, however, That all such notes, drafts, or bills of exchange discounted for any member bank in excess of the amount permitted under such sections shall be secured by not less than a like face amount of bonds of the United States or certificates of indebtedness of the United States.

Mr. HITCHCOCK. Mr. President, I ought to say that the committee, at a subsequent conference, regretted the adoption of that amendment which struck out the words "issued since April 24, 1917," but it was not in position to take any formal action on the matter. I should like to have that amendment submitted for a vote of the Senate.

The inclusion of the words "issued since April 24, 1917," means that the privilege of using United States bonds as secur-

ity for this purpose is limited to liberty bonds issued since we went into the war; and it was intended by the Federal Reserve Board to limit them to the use of those bonds for two reasons:

First, the 2 per cent bonds are not available. They are generally held by banks. Secondly, most of the liberty bonds are now selling at a considerable discount—94, 93, or something like that—and by making them desirable for purposes of security it was thought that the demand for them might be strengthened. Therefore the Federal Reserve Board desired to mention them specifically here by limiting the use of bonds for security purposes to liberty bonds.

I do not feel authorized to move to strike out that amendment, but I regret that the committee took that action. It was done rather hastily.

Mr. SHAFROTH. Mr. President, I hope that amendment of the committee will not be agreed to. The explanation which the Senator from Nebraska has given shows that the object of this section is to make a special demand for the new liberty loan issue that is to be made in April; and by reason of that fact, by limiting the right here to the bonds that are issued after April 24, it gives that right. The Secretary of the Treasury and also Gov. Harding, of the Federal reserve bank, both assert that the very object and purpose is to make this aid and assist in floating the new liberty loan; and I will state that I propose to offer an amendment, following this, which will limit the provisions of the section to December 31, 1919.

Mr. POMERENE. Mr. President, to what section is that offered?

Mr. SHAFROTH. The amendment which I am going to propose?

Mr. POMERENE. Yes.

Mr. SHAFROTH. It is to come in at the end of line 22 on page 3. They do not want to make the provisions of this bill applicable for all time. It is not a permanent matter; but they do want these bonds that can be hypothecated for the purpose of acting as security limited to the bonds issued after the beginning of the war, and they want the provisions of the act confined to the date of December 31, 1919.

Mr. HITCHCOCK. Mr. President, in order to get this matter before the Senate, I ask that the committee amendment may be submitted to a vote.

Mr. POMERENE. Mr. President, if I had been in the Chamber when this bill was called up I should have objected to its consideration at this time. I can not get the consent of my judgment to the increase to 20 per cent. I think it is vicious banking; and I say that with all due respect to the very eminent gentlemen who are members of this committee and favor it, as well as with all due respect to the Federal Reserve Board. I think it is wrong.

Mr. SHAFROTH. Mr. President, does the Senator refer to the fact of increasing the amount which can be discounted to 20 per cent instead of 10 per cent?

Mr. POMERENE. That is the fact to which I refer.

Mr. SHAFROTH. Does the Senator understand that a national bank already has power to lend money to the extent of 20 per cent?

Mr. POMERENE. Oh, yes, Mr. President. We had that matter up before the Senate some time ago, and I objected very strenuously to it at that time; and that is not in the law because of my support of it. I think we did the wrong thing then, and I do not propose by any vote of mine to extend that wrong any further. These bonds can be marketed if it is desirable; and it is not necessary to load up these banks with all of those securities, thereby increasing the amount of the indebtedness of a given member bank to the Federal reserve bank.

The argument was made, when the amendment to the national banking law was before the Senate, that particularly in the South they needed a greater line of credit; that it was necessary that 20 per cent of the capital stock and the surplus should be loaned to individuals as they would come in, and so forth; otherwise they could not do business. My answer to that suggestion is that if a man deserves credit equal to 20 per cent of the capital and surplus there are in every community two or more banks, and if his credit is sufficiently good he can go to one bank and get 10 per cent of its capital and surplus, and he can go to another bank and get 10 per cent of its capital and surplus. It is not necessary that he shall get into one bank to do these things.

Bank failures are not due to a great number of loans to a great number of individuals, no matter how careless the cashier may be in extending some of those loans; but bank failures come from loaning large sums of money to a few people. Never with my vote will I consent to allowing one borrower to have 20 per cent of the capital and surplus of a bank; neither will I facilitate that bank in getting credit to the extent of allowing it

to go to the Federal reserve bank with these securities and get the 20 per cent.

I do not know that I could make myself clearer than I have in this brief statement. It represents my view about the matter. Perhaps I feel a little too keenly on this subject. At one time, years ago, I was made a victim of just that kind of banking. I think I know something about it, and there is not any man or any half-dozen men that can come in here, after the experience I have had, and tell me that that is good banking. I know better.

Mr. SHAFROTH. Mr. President, the Senator may be able to go to two banks and get 10 per cent of the capital and surplus of both of those banks, but I will warrant that there is not one man out of a hundred that can do it. A man's banking transactions are generally confined to one bank, and the confidence which he establishes is with the officers of that bank.

Mr. POMERENE. Yes, Mr. President; and it is the confidence between the officers of that bank and that borrower that robs communities.

Mr. SHAFROTH. Oh, yes; but you could not have any successful banking at all unless you had confidence between the officers of the bank and its depositors.

Mr. President, one of the difficulties in the way is that the laws of the various States prescribe various amounts that the State banks can loan, even in excess of 20 per cent of the capital and surplus of the bank. In other words, there are some banks that have no limitation whatever. Other banks are permitted to loan as high as 30 per cent, and that is one of the reasons why the State banks do not come into the national system. It is because under the national system 10 per cent is all that can be loaned to one man of the capital and surplus. Now, it seems to me that inasmuch as the member bank has a right now to borrow 20 per cent, and this law simply attempts to extend the right of the bank to discount that paper at the Federal reserve bank, when you take away that power you are crippling the national bank itself.

If this were simply a question of extending this matter from the beginning, the argument of the Senator would have more force; but when the member bank has the power to borrow to the extent of 20 per cent it does seem to me that to deprive the member bank of the ability to go to the reserve bank and discount that paper is impairing the banking facilities of the national banks, and consequently also of any State bank that might want to come into the system.

Mr. McLEAN. Mr. President—

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from Connecticut?

Mr. SHAFROTH. I yield to the Senator.

Mr. McLEAN. I should like to call the attention of the Senator from Ohio to the fact that the laws of the State of Ohio permit a State bank to loan to any single person or corporation an amount equal to 20 per cent of the capital and surplus. The Senator knows that the capital and surplus bear very slight relation to the lending power of a bank.

Mr. POMERENE. Mr. President, it was just one of those institutions that I referred to a while ago in my own experience. The fact that a thing happens in Ohio is prima facie evidence that it is right, but it is not always conclusive evidence.

Mr. McLEAN. It so happens that the average throughout the Union exceeds 20 per cent. In New York it is 25 per cent. In all the large States it is over 20 per cent, from 20 to 30 per cent, and the Senator knows that the capital and surplus bear but slight relation to the lending power of a bank. I know banks with \$200,000 capital that lend over \$13,000,000. The lending capacity of a bank depends largely upon its cash deposits.

Mr. POMERENE. That is true, but that is the exception to the rule.

Mr. HITCHCOCK. Mr. President—

The VICE PRESIDENT. The hour of 2 o'clock has arrived. Some weeks since the Chair made an erroneous ruling. The Chair held that the unfinished business was not to be laid down at 2 o'clock on Calendar Monday. On a further examination of the rule the Chair reverses his ruling and lays before the Senate the unfinished business, which will be stated.

The SECRETARY. A bill (H. R. 13703) providing for the relief of such populations in Europe and countries contiguous thereto, outside of Germany, as may be determined upon by the President as necessary.

Mr. HITCHCOCK. I ask the Senator from Virginia to permit the unfinished business to be laid aside for a few minutes, so that we may finish the consideration of this bill.

Mr. MARTIN of Virginia. I am willing to have it laid aside for a few minutes only, but if there is to be any extended debate I shall ask to have the unfinished business proceeded with.

Mr. PENROSE. I sincerely hope the Senator from Virginia will insist on keeping the unfinished business before the Senate.

I have some amendments to offer, and I have been waiting for a long while to get a chance to present them.

Mr. HITCHCOCK. I will say that I will abandon the effort if it takes more than a few minutes.

Mr. PENROSE. All right.

Mr. HITCHCOCK. This is really an emergency bill.

Mr. PENROSE. So is the unfinished business.

Mr. HITCHCOCK. I have had it up for the second time. I want to say that this general provision here is really one which should have been looked after when the law was changed last September. The banks are still restricted to the 10 per cent loan in almost all cases. They are only allowed to advance as much as 20 per cent of their capital and surplus in these cases: First, when it refers to the discount of bills of exchange drawn in good faith against the national exchange; second, the discount of commercial or business paper actually owned by the person, company, or corporation or firm negotiating the same; and, third, the purchase for discount of any note or notes secured by not less than a like amount of United States bonds issued since April 24, 1917. The banks can make loans under those circumstances. All that this section does is to provide that when they make such loans under the authority of Congress the Federal reserve banks shall be permitted to discount paper. It certainly is not just and reasonable to permit banks to carry these loans and then compel them to hold them in their vaults like corpses, unable to use them and vitalize them. If it was at all desirable that they should be permitted to make loans under those circumstances, they ought to be allowed to use them for the purpose of discounts with the Federal reserve banks.

Mr. POMERENE. In answer to the argument just made by the distinguished Senator from Nebraska, we were advised that the law we did pass was to prevent corpses from getting into member banks.

Mr. HITCHCOCK. I have not anything further to say. The question is before the Senate, and I do not want to impose on the time of the Senator from Virginia. I therefore ask the Chair to submit to a vote the recommendation of the committee.

The PRESIDING OFFICER (Mr. ASHURST in the chair). The question is on agreeing to the amendment of the committee.

Mr. HITCHCOCK. I think the amendment should be voted down.

Mr. SMOOT. The statement has been made here that striking out the words "issued since April 24, 1917," would limit the bonds only to liberty bonds. That is not the case. There have been other bonds, farm-loan bonds, issued since that time.

Mr. HITCHCOCK. I am assuming that.

Mr. SMOOT. If you are going to deliberately limit it to liberty bonds, why not insert the word "liberty" after the word "of" and before the word "bonds," in line 20, so that it will read: "not less than a like face amount of liberty bonds of the United States"?

Mr. HITCHCOCK. The other issue of bonds is a small and negligible matter, and I hope the Senator will not bring that up. We are anxious to get the bill through now. The purpose is to dispense with a market for liberty bonds.

Mr. SMOOT. I understand that perfectly well.

Mr. HITCHCOCK. The other issue of bonds is small and negligible. I ask that the question be submitted to the Senate. The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was rejected.

Mr. SHAFROTH. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Colorado?

Mr. HITCHCOCK. I yield.

Mr. SHAFROTH. I desire to offer an amendment. In line 22, page 3, I wish to add, after the words "United States," the following:

The provisions of this section shall not be operative after December 31, 1919.

Mr. HITCHCOCK. I will say that is entirely acceptable to myself and other members of the committee. This is only intended to bridge over the present year so as not to strengthen the market for the liberty bonds.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Colorado.

Mr. SMOOT. Let it be read.

The SECRETARY. On page 3, line 22, after the words "United States," insert the words:

The provisions of this section shall not be operative after December 31, 1919.

Mr. SMOOT. It ought to be preceded by the words "Provided further."

Mr. SHAFROTH. I will insert the words "Provided further." The PRESIDING OFFICER. The amendment will be so modified. The question is on agreeing to the amendment as modified.

The amendment as modified was agreed to.

The PRESIDING OFFICER. The next amendment of the Committee on Banking and Currency will be stated.

The SECRETARY. On page 3, line 23, after the word "SEC," change "4" to "3."

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FOOD SUPPLIES FOR EUROPE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13708) providing for the relief of such populations in Europe and countries contiguous thereto, outside of Germany, as may be determined upon by the President as necessary.

Mr. PENROSE. Mr. President—

Mr. SMITH of Michigan. I make the point of no quorum.

Mr. PENROSE. I yield to the Senator from Michigan to raise the point of no quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Johnson, S. Dak.	Myers	Smith, Ga.
Bankhead	Jones, N. Mex.	Nelson	Smith, Md.
Beckham	Jones, Wash.	New	Smith, Mich.
Borah	Kellogg	Norris	Smith, S. C.
Calder	Kenyon	Overman	Smoot
Chamberlain	King	Page	Spencer
Colt	Kirby	Penrose	Sterling
Culberson	Knox	Pittman	Swanson
Cummins	La Follette	Polindexter	Thomas
France	Lenroot	Pollock	Townsend
Gay	Lewis	Pomerene	Trammell
Hale	Lodge	Ransdell	Underwood
Harding	McCumber	Reed	Vardaman
Hardwick	McKellar	Saulsbury	Wadsworth
Henderson	McLean	Shafroth	Walsh
Hitchcock	McNary	Sheppard	Weeks
Hollis	Martin, Va.	Sherman	Williams
Johnson, Cal.	Moses	Smith, Ariz.	

Mr. HENDERSON. I wish to announce the absence of the junior Senator from Idaho [Mr. NUGENT] on account of illness. I ask that this announcement may stand for the day.

Mr. McKELLAR. I desire to announce that the senior Senator from Tennessee [Mr. SHIELDS] is detained by illness. I ask that this announcement may stand for the day.

Mr. KIRBY. I wish to announce the unavoidable absence of the senior Senator from Arkansas [Mr. ROBINSON], occasioned by illness.

Mr. LEWIS. I desire to announce that the Senator from California [Mr. PHELAN] is necessarily detained by illness.

The PRESIDING OFFICER. Seventy-one Senators have answered to their names. There is a quorum present.

Mr. PENROSE. Mr. President, I think the taxpayers of the United States will be greatly astonished when they read in the morning papers that the Department of Agriculture is now at work framing a bill soon to be presented to Congress appropriating \$1,250,000,000 to be used by the Food Administration in purchasing from the farmers the 1919 wheat crop at \$2.26 a bushel. This remarkable situation, created by Mr. Hoover while he was in charge of the Food Administration of the United States, carries its own lesson as to the wisdom of the economic methods adopted by the Government during the war. Before I offer an amendment which I intend to propose to the pending bill I will ask the Secretary to read the article entitled "The Wheat Problem."

The PRESIDING OFFICER. If there is no objection, the Secretary will read as requested.

The Secretary read as follows:

[From the Washington Post, Jan. 20, 1919.]

THE WHEAT PROBLEM.

It is stated that the Department of Agriculture is now at work framing a bill, soon to be presented to Congress, appropriating \$1,250,000,000 to be used by the Food Administration in purchasing from the farmers the 1919 wheat crop at \$2.26 a bushel, the price guaranteed by the Government. It is proposed to sell this wheat to the public at the ruling market price, leaving the Government to stand the financial loss involved.

War involves many sacrifices, and the tremendous loss which the Government seems certain to sustain in its wheat deal is one of them. The agricultural interests of the country show no disposition to accept the sacrifice themselves, consequently there is no course for the Government to pursue other than to keep its word to purchase all wheat raised next year at the price stated. The appropriation proposed, all of which may be wiped out in the transaction, imposes a charge of \$12.50 per capita upon the entire population of the country.

In accepting its responsibility for supplying food to the allies during the war the United States last year made a definite compact with the agricultural interests to buy the entire crop, as was done in 1918, at the same guaranteed price. This action was considered necessary in order to stimulate the planting of additional acreage in wheat. Production could only be increased by giving this guaranty, and the Government was obliged to proceed upon the theory that the war would last over into 1919 and perhaps longer. France, England, and Italy were taking all the wheat available in this country, without questioning the price, and would continue to do so for the period of the war.

Unfortunately for our Treasury, this Government had no agreement with its allies to continue the purchase of wheat at a specific price after the cessation of hostilities, and as a result they are now buying their wheat from Argentina and Australia, where it can be purchased at little more than half the price which the farmer receives for it in America. The wheat of the Argentine and Australia, while produced in plentiful supply, was not available during the war because of a lack of shipping, but the moment the armistice was signed England and France sent ships post haste to those countries to bring back cargoes of wheat, and now are taking from the United States only the quantity needed above that which they can secure from the south.

Thus the United States, loyal food purveyor to a stricken world, is left "holding the bag." Her word has been passed to the producers of wheat at home, and it must be kept. Contracts for steel, coal, transport, munitions, clothing, and many other items required by the war have been canceled by a stroke of the pen, but to date there has come no proposal to cancel the agreement made with the agricultural interests, nor has there been any proposal from the latter to compromise the agreement. Instead the Nation must pay either by the plan of buying at the Government price and selling at the market price, thus reducing the cost of living materially, or permitting the Government price to rule here, and thus sustaining the price of flour, bread, and other important and necessary items of living. In the end the public must pay. The farmer must have his price.

Far be it for the Government of the United States to stoop to a policy of repudiation. Its word is as good as its engraved bond. But one can not refrain from speculating why one Government contract is subject to cancellation and adjustment while another must be carried out to the letter.

Mr. PENROSE. Now, Mr. President, as some measure of relief to this unfortunate situation and in order to prevent persons under the direction of the President favoring this Argentine product or any other foreign article, while the American Government is being loaded up with wheat at a fixed price, I offer the following amendment to line 4, on page 2, which I will ask the Secretary to read.

Mr. MARTIN of Virginia. Let me ask the Senator from Pennsylvania if he did not vote to fix the price of wheat at \$2.50 a bushel?

Mr. PENROSE. I voted to make it \$2.50 because I thought as long as the Government was engaged in the economic policy of fixing the price of wheat it ought to fix it at an adequate figure.

Mr. MARTIN of Virginia. You wanted to make it as big as possible?

Mr. PENROSE. Yes; I do not believe in price fixing, but I believe in a fair price if the price is to be fixed. I ask the Secretary to read the first amendment.

The PRESIDING OFFICER. It will be read.

The SECRETARY. On page 2, line 4, after the word "hereunder," insert "shall be used for the purchase of American wheat at the price guaranteed by the Government, and the preference in the purchase of other supplies shall, so far as reasonably possible, be in favor of American products."

Mr. PENROSE. Mr. President, it seems to me the amendment speaks for itself. According to the figures read by the Secretary, the American Government is likely to be responsible for \$1,200,000,000 worth of wheat at the guaranteed price, and it may be that if the price of wheat keeps going down by reason of the foreign competition, which is coming into the world market by reason of the restoration of tonnage available for wheat conveyance, the price may go still further down. If we are to expend this \$100,000,000 for purposes which, to my mind, have in no way been made clear, except the time-worn argument that they are required on account of the war, I think the Government might be relieved very consistently and properly of the enormous stores which they are compelled to take into their hands. I would be glad to hear what possible objection the Senator from Virginia can have to the amendment.

Mr. MARTIN of Virginia. Mr. President, I have a telegram from the American Mission at Paris, which states that—

Allies are willing and anxious to do all they can, and have and will contribute to the full extent of their resources, but it must be borne in mind that most of the food must be purchased in the United States, and American money would be used for such purchase and transportation.

So here is a declaration in advance of the purpose to buy most of this food in the American market.

Mr. PENROSE. I should like to ask the Senator who makes that statement?

Mr. MARTIN of Virginia. This is signed "Hoover, American Mission."

Mr. PENROSE. We have had Mr. Hoover's promises before. Mr. GORE and others addressed the Chair.

The PRESIDING OFFICER (Mr. KING in the chair). Does the Senator from Pennsylvania yield, and if so, to whom?

Mr. PENROSE. I yield to the Senator from Oklahoma.

Mr. GORE. I should like to say in this connection, in view of this cablegram from Mr. Hoover, we had a witness, Mr. Taliaferro, before the Committee on Agriculture this morning who is vice president of the Hammond Standish Packing Co., of Detroit, and he told us that Mr. Hoover was in Europe now and that this \$100,000,000, or a great deal of it, was to be used in stabilizing the price of packing-house products, so that the packers could dispose of the stocks they have on hand and obviate a loss.

Mr. PENROSE. I should like to ask the Senator from Virginia if he or any Senator here present knows whether Mr. Hoover is an American citizen and ever voted in this country in his life?

Mr. MARTIN of Virginia. I do not propose to be drawn into such an irrelevant discussion as that. I do not know anything about Mr. Hoover's citizenship. I have no doubt myself that he is a citizen of this country, but I have not been a detective upon his tracks and I am not posted about his career. I do not know of what country he is a citizen, but I have no doubt myself he is a citizen of the United States.

Mr. PENROSE. He abused the high office which he holds informally by advising the American people to support the Democratic Party in the last election, and in that way, in my opinion, insulted every Republican in the country, after having been intrusted with these enormous powers, to get into a political campaign. I do not believe he is a citizen of the United States. He has spent the greater part of his life in England. He may perchance have been born here; I do not know. It is bad enough to have a man called upon to administer this enormous fund and the enormous funds which he has already administered who has taken no oath of office and whose allegiance even is in doubt, in the opinion of many citizens; as to whether he is not at bottom really an Englishman and not an American.

I intend to offer an amendment when the pending amendment is disposed of to provide that this vast expenditure shall be defrayed in an orderly, legal way by commissioners appointed by the President, confirmed by the Senate, and receiving a salary, after having taken the oath of office to support the Constitution of the United States.

Mr. THOMAS. I should like to ask the Senator whether I am correct in understanding his statement that he voted for the Gore amendment which fixed the price of wheat at \$2.50 a bushel?

Mr. PENROSE. My position was plain at the time, and I have no objection to explaining it now.

Mr. GORE. Mr. President—

Mr. PENROSE. The Senator will allow me a word, and he can explain in a minute.

Mr. GORE. That was last year's crop and not this year's.

Mr. PENROSE. I was against price fixing during the war. I believe it did more harm than good all along the line. Had the war continued another year it would have led to general economic demoralization. But when it was evident that prices were to be fixed, I favored a price that, in my opinion, was fair and adequate. That was my position, and I think—

Mr. THOMAS. Does the Senator know what the added price to the Government guaranty would have been if the Gore amendment had been passed?

Mr. PENROSE. If we had not fixed the price, in my opinion, the price of wheat would have been more than the guaranteed price.

Mr. GORE. I should like to say at this point to the Senator from Colorado that the price of \$2.50 for wheat applied to the crop harvested in 1918. It has no relation, either direct or indirect, to the harvest of 1919. No amendment was offered as to the crop of 1919, and the Senate never voted upon that proposition. That was done by the President of the United States alone upon his responsibility under section 14 of the so-called food-control act. The Senate did not express any opinion as to what the price for the 1919 crop should be.

Mr. KELLOGG. I wish to ask the Senator from Oklahoma if it is not a fact that the bill which passed Congress provided for a guaranty of \$2 a bushel only for the year 1918?

Mr. GORE. For the year 1918.

Mr. KELLOGG. No bill passed Congress providing for \$2.50 a bushel for 1919.

Mr. GORE. No, sir; it did not.

Mr. KELLOGG. The bill, as I understand it, authorized the President, if in his opinion it was necessary to encourage production, to make a guaranty, but the bill itself provided that the guaranty for 1918 should be not less than \$2 per bushel.

Mr. GORE. Not less than \$2 per bushel.

Mr. KELLOGG. As a matter of fact, the President fixed the price for that year at \$2.20 a bushel at the primary market.

Mr. GORE. Congress did not project the law in expressing prices further into the future than 1918.

Mr. KELLOGG. Then in 1918, in September, before the sowing of the crop, the President published a proclamation fixing the price for 1919 at \$2.26 at the highest primary market and graded down from that.

Mr. GORE. Yes; September 2.

Mr. McCUMBER. Mr. President, inasmuch as the article has been read into the Record indicating a blanket loss of \$1,200,000,000 to the American people by reason of the guaranty of the price of wheat, I should like to ask the Senator from Pennsylvania or the Senator from Virginia what would be the price of wheat to-day without that guaranty? How do you figure your losses, and if you figure your losses at all what are you going to allow for the losses of the farmer below the market price in 1918 to meet the excess that he would receive by reason of the guaranty of 1919? In other words, taking his crops of 1918 and 1919 together, would he have received more by reason of this guaranty, or would he have received more for the entire crop of the two years if we had allowed the crop to be sold at the guaranteed price? I do not want anyone to forget for a single moment that the farmer lost a dollar a bushel on his grain in 1918. I say that that has not been made up even by the guaranty of 1919. So the abominable criticism of the farmer's attitude as compared with the attitude of other lines of business does not seem to me to be warranted, for let us remember right here that we were engaged in a war in September, 1918. We did not know what the future would be in 1919. We might be engaged in a war during all of this year, and we prepared for the future by guaranteeing a price that would assure the utmost number of bushels that could possibly be produced. Now you criticize us because it might have been a little less.

Are you criticizing the Government in any way for the \$500,000,000 that it is going to lose on the railroads this year by reason of increasing the price of freight and for carrying passengers? If you criticize the price fixed for the farmer's product, \$1,200,000,000 even, have you not raised the price of everything that he must purchase with that product by reason of raising the prices of labor throughout the country, with that \$1,200,000,000? Have you not raised it more than \$3,000,000,000, compared to the price of the things that the farmer must buy, taking the country as a whole?

We paid enormous prices for places at which to build ships—three or four times, probably, what the land could otherwise have been purchased for. We paid at least some three to five times what it would have cost in peace periods to build our shipways. Now they are of no use to us, but they are going to cost the country billions of dollars. Are you criticizing the Government because the Government proceeded to pay those enormous sums?

Mr. MARTIN of Virginia. Mr. President, I did not expect to yield the floor for the remainder of the day.

Mr. McCUMBER. No; but I expected the Senator would yield the floor until at least one side of this proposition could be presented even briefly, and that is the farmer's side of the question.

Mr. MARTIN of Virginia. The only criticism that has been made was the speech delivered by the Senator from Pennsylvania [Mr. PENROSE], who criticized maintaining the price of wheat at \$2.26 a bushel.

Mr. PENROSE. Mr. President, I hope that the Senator from North Dakota [Mr. McCUMBER] does not think that I have been criticizing the farmer for getting a fair price for his wheat.

Mr. McCUMBER. No, I do not; but I criticize and I resent the article which the Senator put in the Record, which seemed to indicate that the farmer was the only person who had been benefited by this war, and that, therefore, he is receiving more than his just due.

Mr. PENROSE. Of course, if the Senator from Virginia will permit me, a price was fixed on copper, on wages, on railroad transportation, and on a number of other things, which I think was wrong economically, and was a wrong economic method. I saw nothing while we were in the war to cause us to interfere very materially with the course of trade and normal conditions, but that is over.

While I am on my feet, I want to remind the Senator from Virginia [Mr. MARTIN], in the first place, I voted against the food-control bill on the floor of the Senate. I was one of five or six Senators who voted against that bill, and it has been a very gratifying vote for me to refer to since the bill was passed when I have been visited by many hundred people from

Pennsylvania—I may say many thousands—who have been subjected to harassment and vexation and utter failure to get any satisfaction from the Food Department concerning their very many grievances.

Mr. MARTIN of Virginia. Mr. President, as I understand, the Senator from North Dakota [Mr. McCUMBER] was aiming his criticism at an article in a Washington newspaper. There is nothing that has been said on the floor of the Senate to invite his attack.

Mr. McCUMBER. I simply want to indicate that when the Government has ordered 27,000,000 undershirts, which it has now on hand, on which there will be an entire loss, there ought not to be criticism of the farmer because he will receive a portion of what the Government compelled him to lose in 1918.

Mr. MARTIN of Virginia. But, Mr. President, no one on the floor of the Senate has criticized the farmer; I have not heard one criticism of the farmer or of the price of wheat. The only criticism has been made in an article in a Washington newspaper, and I understand now that the Senator from North Dakota is making a criticism on the article in that paper. Certainly I do not take his criticism to myself, for I have not said a word on the subject. The Senator looked over this way very intently at me as if he were about to make an attack on me for something, but I could not imagine what it was for.

Mr. McCUMBER. The Senator from Virginia was so generous and his countenance was so smiling that he invited my glance in that direction.

Mr. MARTIN of Virginia. This is the first time my countenance has arrested attention here, so far as I know. I am obliged to the Senator.

The Senator from Pennsylvania [Mr. PENROSE], who tried to put the price of wheat at \$2.50, has seemed to me to be the only man making the attack. He is making an attack on \$2.26 wheat, although he tried to put it at \$2.50. I have no brief to defend either position. It is entirely irrelevant to the question before the Senate.

But addressing myself for just a very few moments to the amendment offered by the Senator from Pennsylvania, it seems that he wants to do an act of charity or of generosity accompanied with a condition of profiteering. He is willing to appease hunger and stay the ravages of death as an act of benevolence and charity, provided he can make some money out of it. In the ultimate analysis that is what the Senator's position is, and that is all there is in it. He wants to make this appropriation provided he can get a certain price for wheat. I think it is a very ungenerous act to do. We are told that it is expected to spend this money in the United States, and I should be very glad to see that done; but for my part I am unwilling to put that condition on this donation, on this charity, on this benevolent act—to put on it a condition that we must make some money out of it or we will not do it. That is, as I understand it, the position of the Senator from Pennsylvania.

Mr. PENROSE. If the Senator will permit me, I think he fails to grasp the situation. As I understand, the Government must take up all this wheat at \$2.26 a bushel. Having it in its possession, I very modestly suggest, to relieve the expenditure of the Treasury in some small amount, that we put this wheat through this revolving fund, and send it over to Europe.

Mr. BORAH. Mr. President, may I make a suggestion?

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Idaho?

Mr. MARTIN of Virginia. I yield.

Mr. BORAH. It seems to me that the Senator from Pennsylvania, and possibly the Senator from Virginia, overlook the fact that if we purchase all of this \$100,000,000 worth of goods in this country it is going to weigh very heavily on and embarrass very much the people of this country, who are in great need of food. One of the great necessities now in large portions of the country is the very material which it is now proposed to send to Europe. While I have no doubt that a large portion of it will be purchased here, I say that by every million dollars' worth of goods that you purchase in this country you are going to raise the price just that much higher to those who are now unable to buy the necessities of life.

Mr. MARTIN of Virginia. There is no doubt about the fact that this \$100,000,000 would be a mere bagatelle in taking up the surplus foodstuffs the United States now has on its hands.

Mr. BORAH. Mr. President, the Senator from Virginia talks about the surplus foodstuffs. Where are they? In whose possession and control are they? We are informed by the press dispatches that riots have already begun in cities where people are demanding wages and demanding bread. Where is this food which is a surplus? It is in the hands of a very few people.

It has been gathered up and is now being held while the people are in need of it.

Mr. MARTIN of Virginia. Statisticians all say there is a large surplus of foodstuffs in this country—wheat, corn, fats of all kinds, bacon and pork, and lard and oils—that all foodstuffs are abundant in this country.

Mr. BORAH. Well, Mr. President, it is an inexplicable situation, if that be true, because if there is an abundance, a surplus, why, in the name of all the gods at once, are the prices such as they are in this country at the present time?

Mr. MARTIN of Virginia. One reason is that the Government has fixed \$2.26 for wheat.

Mr. BORAH. The Government has not fixed prices except as to two or three articles.

Mr. LODGE. It has fixed the price of wheat.

Mr. BORAH. We are not discussing the price of wheat alone. There is a vast amount of foodstuffs in this country other than wheat. I know, and other Senators here know, where these vast food supplies and reservoirs of food are. They are not within the reach of the masses of the people of this country; and when you purchase these food supplies in this country you are not benefiting anyone in the way of the masses of the people at all; you are only raising their prices and disparaging their situation, rather than benefiting it.

Mr. PENROSE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Virginia further yield, and, if so, to whom?

Mr. MARTIN of Virginia. I yield to the Senator from Pennsylvania.

Mr. PENROSE. It seems to me that the Senator from Idaho does not grasp the point which I have in my mind.

Mr. BORAH. I may not grasp the point the Senator had in his mind, but I grasped the point I had in my mind.

Mr. PENROSE. I understood the Senator's point to be as to the price fixing for wheat, that the consumer can not get wheat below \$2.26 a bushel, because if wheat sinks below that point the Government comes in and takes it. Senators from States where wheat-growing is more a specialty than it is in Pennsylvania—although that is a great wheat-growing State—who may be more familiar with the matter, some of my colleagues in my neighborhood, say I am entirely right. In that case the consumer is not hurt in America by having the Government relieved of some of the surplus wheat. That there is a surplus I take to be granted, because the Department of Agriculture is preparing a bill carrying this enormous sum—\$1,200,000,000—to take up the wheat, and the newspaper article I referred to states that the restoration of tonnage suitable for the conveyance of wheat has brought so much wheat into the market that its price is rapidly dropping.

Mr. REED, Mr. ASHURST, and Mr. KELLOGG addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Virginia yield; and if so, to whom?

Mr. MARTIN of Virginia. I think the Senator from Missouri first addressed the Chair, and I yield to him; but I hope Senators will not make long speeches while I have the floor, though I shall be glad to yield for any reasonable question or suggestion.

Mr. ASHURST. I beg the Senator's pardon. I thought he had yielded the floor. I desire recognition for two or three minutes in my own right, as I am compelled to leave the Chamber.

The PRESIDING OFFICER. The Chair will recognize the Senator from Arizona when the Senator from Virginia yields the floor.

Mr. REED. Mr. President, I rose to ask a question. The Senator from Idaho [Mr. BORAH] inquired where these reservoirs of food were. Is it not a fact that the statement has been made that the meats or fats necessary to supply Europe are already on hand in enormous quantities. I am asking the Senator if that is not the case? Has not that statement been made to the committee?

Mr. MARTIN of Virginia. I understand there is a very large surplus of meat.

Mr. REED. And those fats are in the hands of the packers, are they not?

Mr. MARTIN of Virginia. I presume the bulk of them are in the hands of the packers; I do not know.

Mr. REED. My recollection is that the statement was made that there are \$50,000,000 worth—perhaps the Senator has the figures—

Mr. MARTIN of Virginia. No; I have not.

Mr. REED. My recollection is—and I hesitate to use the figures, because I did not charge my mind especially with them—that there are \$50,000,000 worth of fats on hand.

Mr. BORAH. Mr. President, the Senator from Missouri is about correct. I have the statement here somewhere.

Mr. REED. If that is true, then will the Senator permit me to say in his time that the benefit of the market which is to be made would not go to the farmer, for the farmer has already parted with the hogs out of which the fats are made, but it would go to the packers, and of course the tendency would be to keep up the retail price on similar products in this country? If the packers have \$50,000,000 worth of fats on hand, it may explain why bacon is 50 cents a pound, which I think is about the price in Washington to-day.

Mr. LODGE. Mr. President, may I ask a question simply for information?

The PRESIDING OFFICER. Does the Senator from Virginia yield?

Mr. MARTIN of Virginia. I yield to the Senator from Massachusetts.

Mr. LODGE. The question of wheat, I think, is fairly clear, because that was a fixation of price by law; but were not prices fixed by the Food Administration on fats, meats, and other articles? I do not mean by law, but by agreement, as it was called?

Mr. REED. If the Senator from Virginia will pardon me, there was no price fixed even on wheat.

Mr. LODGE. Not strictly, but there was a minimum fixed.

Mr. REED. The law guaranteed a minimum price—

Mr. LODGE. That is what I should have stated.

Mr. REED. Of, I think, \$2 a bushel. Is not that correct?

Mr. GORE. Yes; that was for the year 1918.

Mr. LODGE. That is correct; I stated it inexactly, but I know what was done.

Mr. REED. And the Government has not guaranteed anything for the year 1919, has it?

Mr. GORE. The President has, but Congress has not.

Mr. LODGE. Yes; there is no legal guaranty on wheat now.

Mr. GORE. Mr. President, it amounts to a legal guaranty. I will say to the Senator from Missouri that the President, on September 2 last, issued a proclamation guaranteeing, under the law, the price of \$2.26 for the crop of 1919. The President had authority to issue such a proclamation, and it amounts to a binding obligation, I think, upon the Government.

Mr. REED. Much as I have tried to keep track of the colors of this kaleidoscope, I have not been able to follow them all. The fact about the pork question, as I gather from the evidence that has been submitted from time to time, is that Mr. Hoover called in the packers and arranged with the packers the price they would pay the farmer, arranged with the packers the price at which they were to sell to the retailers, and arranged with the packers the profits they were to take. As a result of that, the farmers were at one time pretty much in rebellion about the prices they were getting, and the people have been in rebellion, I think, all the time about the prices they have been compelled to pay; but the packer, according to the report filed here by the Federal Trade Commission, if he be not complacent, ought to be, because his profits have been simply astounding. So that we may as well understand that the market that will be made for pork under this provision, will be a market made for that pork which has left the hands of the farmer and which is in the hands of the packers.

Mr. GORE and Mr. ASHURST addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Virginia yield; and if so, to whom?

Mr. MARTIN of Virginia. I yield to the Senator from Oklahoma for a question, but I am not through.

Mr. GORE. I am uncertain whether the Senator from Missouri was in the Chamber when I made a statement a few moments ago.

Mr. REED. I was not in the Chamber at that time; I have just come in.

Mr. GORE. It related to that point. I may say that Mr. Taliaferro, who appeared before the Committee on Agriculture this morning, the vice president of the Hammond-Standish Packing House Co., of Detroit, stated that England has imported a great deal of salted meat, which was not grateful to the appetite of the English people; that they were now not willing to consume it and would not consume it; that it was the purpose to sell this salted meat to the people of southern Europe, to whom it was palatable and who use it, I think, in cooking vegetables; and that the English, by disposing of this surplus supply of salted meat on hand, would create a market in England for more palatable meat.

He also stated that this \$100,000,000, he understood, was to be used by Mr. Hoover in creating a market in Europe for packing-house products and stabilizing prices of packing-house products so as to protect the packers of this country against loss. That

is the substance of what he said. I ask permission to print in the Record an extract from Mr. Taliaferro's statement upon that point.

Mr. JOHNSON of California. Mr. President—

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from California?

Mr. MARTIN of Virginia. I will for a reasonable time; but I do not wish to stand here all evening.

Mr. JOHNSON of California. It was difficult for us to hear the latter part of the statement of the Senator from Oklahoma, as to the uses to which this \$100,000,000 were to be put. The Senator's head was turned away from this side of the Chamber, so that we were unable to hear him distinctly; and, with the permission of the Senator from Virginia, may I ask if the Senator from Oklahoma will again state what the understanding or agreement is as to how this money is to be spent?

Mr. GORE. I will say that a portion of it, according to the testimony of the witness who appeared before the Agricultural Committee this morning, was to be used in stabilizing the market, creating a market for packing-house products, and to stabilize the price of those products, so as to protect the packing houses against a loss as to the meat supply which they have on hand, manufactured from hogs which they purchased at 17½ cents.

Mr. THOMAS. By what authority did he speak?

Mr. JOHNSON of California. Who was the witness?

Mr. GORE. His name is Thomas W. Taliaferro, and he is vice president and general manager of the Hammond-Standish Packing Co., of Detroit, Mich. I have requested permission to have printed a portion of his statement covering this proposition in order that he may be allowed to speak for himself and in order that the exact statement may be furnished to the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement referred to is as follows:

[Excerpt from statement of Thomas W. Taliaferro, vice president and general manager of Hammond-Standish Co., of Detroit, before Senate Committee on Agriculture and Forestry January 20, 1919.]

Senator KENYON. You would not be in favor of the Government operating the packing houses even if it bought the business?

Mr. TALIAFERRO. Would I? I would not have anything to say about it. It would not change the principle of the thing.

Senator KENYON. No.

Mr. TALIAFERRO. But I would suggest right there, Senator, that if the Government has any idea of that kind they better wait until they bury the white elephant of the wheat crop of 1920 before they start to work on the packing business, because when they bury that elephant they will not want any more in the shape of the packing business.

Senator KENYON. There are some white elephants on the railroad question, are there not?

Mr. TALIAFERRO. Not only there, but there is a Hog Island and some others that I can mention, which I do not mention—which I do not mention here—and, gentlemen, if you please, I will just finish my statement. There is only a short way to go.

To my mind this bill means ultimate Government ownership and nothing else, and if the Government wants our business, let it take it now, while it is alive and progressive and has an efficient organization, and pay us a fair value for it, and not handicap, disorganize, and rupture it, and then take it a wreck of its former self.

I know what trying to operate under license would mean, and I want none of it. My business is legitimate and necessary for the country, and I want to run it in my own way. Like every other free American citizen operates his business. Why should we have such restrictions thrown around us that would brand us as lawbreakers, either stated or implied?

We are not parties to any agreement in buying our live stock or selling our products.

In conclusion, I wish to emphasize that among all of the essential elements entering into the winning of the war the supplying of meats is the only one that will not cost the Government immense sums of money in burying the white elephant of incomplete contracts and necessarily wasteful methods brought about by haste. The packers supplied the necessary food often on a cost-minus instead of a cost-plus basis, but you have had no complaint from them. This is patriotism, pure and simple—patting ourselves on the back—and I hope this honorable committee will unite in saying to our industry, "Well done, good and faithful servant, enter into the joys of your reward," and breathe the air of freedom like the nations of Europe whom you helped to liberate.

I am now ready, gentlemen, to answer any questions you want to ask. Senator KENYON. How has the license of the Food Administration worked in your business?

Mr. TALIAFERRO. Has it worked?

Senator KENYON. Yes.

Mr. TALIAFERRO. So far I have no objections. If the present price is maintained and there are not sufficiency of orders forthcoming, the packers are going to be compelled to stand the biggest loss, in my estimation, that they ever stood, and probably a great many of them will be seriously crippled.

Senator KENYON. Just what do you mean by that? Are there great quantities of meat products in the cold-storage houses now?

Mr. TALIAFERRO. At the present time the products, while ample, are pretty well taken care of by allied orders.

Senator KENYON. Do you know anything about the statements made in the paper here the other night that the allies had repudiated their contracts for pork, or their agreement as to pork, and were getting their meat from the Argentine?

Mr. TALIAFERRO. Senator, the British Government is the one you refer to?

Senator KENYON. Yes; that is the Government I refer to.

Mr. TALIAFERRO. They have an enormous stock of meats on hand, primarily caused not by their buying, but having stored last summer, when the dangers of transportation were adrift, a large quantity of meat in salt, which usually would be shipped in borax, accumulating in England meats just because it was meats, with the idea of having it carry as long as possible without refrigeration. This produced a very salty article, and if there is anything in the world that the Englishman dislikes it is a salty piece of bacon, and he will not eat it. But under the stress of war conditions he might possibly have been forced to eat it. However, now that the armistice has been signed, he feels very differently about it, and he will not eat it. And in connection with a great many laboring men being thrown out of positions and their buying power restricted, they have stopped eating it, and the consumption, as I understand it, in December in Great Britain was only about 16,000 tons.

The CHAIRMAN. It ought to have been what?

Mr. TALIAFERRO. About 48,000 or 50,000 tons to be normal.

The CHAIRMAN. Of what sort of meat?

Mr. TALIAFERRO. Of bacon; that is, of hog meats.

The CHAIRMAN. It looks to me like that would create an extraordinary demand for saltless meat.

Mr. TALIAFERRO. Yes; but their stocks over there are largely undesirable meats for English outlet, and that lessens the demand and keeps these enormous stocks going into the avenues of distribution.

Senator NORRIS. If their stock consists of meat they can not eat, would that not create a greater demand here for meat they could eat?

Mr. TALIAFERRO. The Food Administration in their endeavor to increase production and to conserve the supply did everything possible to curtail the domestic consumption, so as to make these stocks available. The armistice being signed at least 6 months or, perhaps, 12 months earlier than the most ardent patriot expected has produced a condition that is very critical, because we had gone ahead and built and worked for something that we expected to happen in the future, but it has happened right away.

The CHAIRMAN. I do not see this point, Mr. Taliaferro. You say they find, the war being over, that they have got a lot of meat on hand that they would have to keep if the war had continued?

Mr. TALIAFERRO. They would have had to have eaten.

The CHAIRMAN. But that they will not eat now. So this deadhead stuff that they have on hand there which they will not eat and you could not sell looks to me like, to the extent they can not eat it, there would be a demand for more meat.

Mr. TALIAFERRO. But the British Government, owning this meat, will not increase their further orders until this supply is reduced and their facilities enlarged.

The CHAIRMAN. They are trying to force them to eat it?

Mr. TALIAFERRO. They are trying to force them to eat it; they have got to force it, in self-preservation.

Senator NORRIS. Do you think they will keep on that way until the people of England are forced and do eat that meat that they do not want?

Mr. TALIAFERRO. Gradually that will happen. But between now and the time it does something is going to happen to us.

Senator GORE. They want to take care of the \$100,000,000 that is to be sent there as far as they can?

Mr. TALIAFERRO. I understand that is a part of the use England makes of that \$100,000,000 revolving fund.

The CHAIRMAN. They are going to give these folks meat that they can not eat?

Mr. TALIAFERRO. I understand they are going to relieve themselves of part of it.

Senator KENYON. Are we going to buy part of it?

Mr. TALIAFERRO. No. This meat, while salty, is perfectly agreeable and highly prized by southern European nations. They like their meat salty, because they boil it with vegetables.

Senator NORRIS. This meat could be sent to Italy?

Mr. TALIAFERRO. And the Czechs.

Senator NORRIS. And the Czecho-Slovacs, and it would be very acceptable to them?

Mr. TALIAFERRO. Most certainly, but they have not the money.

The CHAIRMAN. And England would send it to those people instead of forcing it down the throats of their own people?

Mr. TALIAFERRO. They have not the money. These people have something to eat, and they have not the money with which to buy it, and we have the meat and we do not want to send it without the money.

The CHAIRMAN. You have the meat and money both?

Mr. TALIAFERRO. Exactly so.

Senator KENYON. And we are to send them the money to buy the meat?

Mr. TALIAFERRO. Sending them the money to buy the meat; we have been doing that right along.

Senator NORRIS. They have not the money, but want to buy this salty meat, and we are to send them the money to buy it with?

Mr. TALIAFERRO. They have not the credit.

Senator NORRIS. Who is going to buy this?

Mr. TALIAFERRO. I understand from the newspapers that Mr. Hoover is making some arrangements, of the details of which I am not advised.

The CHAIRMAN. Do you know anything about the ration of meat and bread he is furnishing these people?

Mr. TALIAFERRO. No, Senator; I do not.

Senator GRONNA. In reality there is an oversupply of meats at the present time?

Mr. TALIAFERRO. There is an oversupply immediately available for the amount of consumption that is apparent.

Senator KENYON. And if we do not get rid of that oversupply the packers are going to be in a bad way?

Mr. TALIAFERRO. They are going to be compelled to stop. We are only operating in one door and carrying it out the other. If any link of that chain is broken, the weakest one, the whole thing stops.

Senator GRONNA. Has that oversupply caused any change in prices?

Mr. TALIAFERRO. Has it made any change in prices?

Senator GRONNA. Yes.

Mr. TALIAFERRO. Not yet, Senator; but it is likely to make an awful change in prices if the outlet is stopped. If you dam the river up at its outlet instead of its source, you are going to have trouble.

The CHAIRMAN. You figure if this meat can be used and disposed of to the southeastern Europeans that that demand will relieve this congestion of meat and it will enable the packers to keep running and supply the demand for fresh meat in England?

Mr. TALIAFERRO. It will; that is the secret of the whole thing, Senator, that the continuity of events must not be interrupted in any one particular, not from the producer on the farm to the consumer in Europe.

Senator KENYON. If they did not get the consumer in Europe and these products were thrown upon the market the consumer would get meat a little cheaper, would he not?

Mr. TALIAFERRO. He certainly would.

Senator KENYON. But you think it would make a smash among the packers?

Mr. TALIAFERRO. It would make a smash among the producers and packers, too.

Senator KENYON. Both together?

Mr. TALIAFERRO. You can not pare that potato without taking off something from each fellow. Everyone will have to suffer if that happens. The apparent suffering will be, of course, on the man who owns the biggest amount of product, which will be the packer. The packer has no guaranty that this stuff he is paying 17½ cents for is going to be taken off his hands. There is no guaranty. The Food Administration has not given us a guaranty on that. They have just told us, "Go ahead. You are a patriotic bunch of fellows, and pack these hogs on the basis of 17½, and we are going to get orders for you." But they do not give us any insurance policy.

The CHAIRMAN. Mr. Hoover was instrumental in giving those assurances?

Mr. TALIAFERRO. I want to say one thing for Mr. Hoover; that I have been under him—in connection with the license—and I have seen that gentleman under the most adverse circumstances, the most trying circumstances, and I want to say that he is one of the grandest men I know of; that he has done more good to the producers of this country than any other man in the country.

The CHAIRMAN. The packers pretty generally agree in that opinion?

Mr. TALIAFERRO. I do not know. They know worth when they see it.

Senator KENYON. Was meat and money the only things he talked over with the packers?

Mr. TALIAFERRO. It has all been a matter of our risking our money against their promise of their ability to relieve us of the product.

Senator KENYON. Do you not think now, with Mr. Hoover over there insisting on this \$100,000,000, that he is keeping faith with you?

Mr. TALIAFERRO. I certainly do, or I would not be buying hogs; and I will go the limit on what he says, and that is the reason I am spending my good money on hogs. I know I will lose a lot of money on it if anything should slip.

The CHAIRMAN. You do not think there is any "white elephant" thrown out to the packers in the way of a guaranty?

Mr. TALIAFERRO. They have not guaranteed us.

The CHAIRMAN. But they let you make 9 and 15 per cent.

Mr. TALIAFERRO. They let us make 1 per cent; that is what they let us make.

The CHAIRMAN. On what?

Mr. TALIAFERRO. On our business.

The CHAIRMAN. On your turnover?

Mr. TALIAFERRO. On our turnover.

The CHAIRMAN. What did you make on your capital stock last year?

Mr. TALIAFERRO. We made \$117,000, is what we made on \$21,000,000 worth of business.

The CHAIRMAN. I do not mean that. The \$21,000,000 is not the point of my inquiry. What is the amount of your capital stock?

Mr. TALIAFERRO. Our capital stock is \$884,000.

The CHAIRMAN. And you made \$117,000 on it?

Mr. TALIAFERRO. Yes; and an odd \$3,000,000 you want to figure in. Senator GRONNA. That \$117,000 was net profit?

Mr. TALIAFERRO. That is net; yes, sir; and if it had been much less there would not have been any net. I was saying that we did \$21,000,000 worth of business and only made \$100,000.

Senator GRONNA. That is more than 12 per cent.

Mr. TALIAFERRO. On what?

Senator GRONNA. On \$800,000 capital stock.

Mr. TALIAFERRO. But you must take my borrowed money in with it.

Senator GRONNA. After you pay interest. You have paid the interest. That is all figured in. You were saying here that that is net?

Mr. TALIAFERRO. After paying interest on borrowed money.

Senator GRONNA. Certainly.

Mr. TALIAFERRO. Why, sure.

Senator GRONNA. That is all taken into consideration.

Mr. TALIAFERRO. I pay wages, too, do I not, Senator?

Senator NORRIS. But you do not pay the wages out of the 12 per cent; but after paying the wages you had left 12 per cent.

Mr. TALIAFERRO. No; I would have been paying laborers wages yet if I had tried that.

Senator GRONNA. Are the income taxes included, and you still have \$117,000 net?

Mr. TALIAFERRO. I think our actual—

Senator GRONNA. I mean after the income taxes have been paid.

Mr. TALIAFERRO. Twenty-five thousand dollars income taxes are to be paid.

Senator GRONNA. I think that is a very fair question. I would like to know if the income taxes are included in expenses, after paying which it leaves you \$117,000?

Mr. TALIAFERRO. It was not included in expenses, but written off as reserve.

Senator GRONNA. That is the same thing.

The CHAIRMAN. A hundred and how many thousands?

Mr. TALIAFERRO. Let me give you the actual figures, as long as we are getting down to it. This is our 1918 statement—\$117,000, as near as I can remember.

The CHAIRMAN. Does that include or exclude income tax and your war or excess-profits tax?

Mr. TALIAFERRO. That figures what we carried to our surplus account.

Senator WADSWORTH. Taxes paid?

Mr. TALIAFERRO. Taxes paid.

The CHAIRMAN. How much was your corporation income tax?

Mr. TALIAFERRO. Income tax—we do not know yet, but probably in the neighborhood of \$25,000.

The CHAIRMAN. And your excess or war-profits tax will be how much?

Mr. TALIAFERRO. I do not know. We only wrote off \$25,000 to cover our war-profits taxes; there will not be any profit tax.

Senator NORRIS. That means you set aside \$25,000 to pay those taxes, and after you had done that you had 12 per cent?

Mr. TALIAFERRO. Oh, no; I said we had a little over 1 per cent on the business we did.

Senator NORRIS. On the capital stock, I'm talking about.

Mr. TALIAFERRO. On our capital stock?

Senator NORRIS. Yes. After you had set aside the \$25,000 to pay taxes, you still had \$117,000 net profit. Was that it?

Mr. TALIAFERRO. We carried to surplus about \$117,000.

Senator KENYON. When this matter occurred that you speak of with Britain, did you packers have a meeting with Mr. Hoover about it, along in October last?

Mr. TALIAFERRO. We have had a number of meetings with him, Senator.

Senator KENYON. Did you not have one meeting with him to talk over that matter of large pork products on hand in connection with Britain?

Mr. TALIAFERRO. Yes; we had.

Senator KENYON. That meeting was in October last, was it not?

Mr. TALIAFERRO. Yes.

Senator KENYON. And did Mr. Hoover at that time tell you he would do what he could to stabilize the situation?

Mr. TALIAFERRO. He always has taken that position.

Senator KENYON. And when he went abroad, did you understand he was going to try to work out some plan to do that?

Mr. TALIAFERRO. I did not know at that meeting that he intended to go abroad, but I afterwards understood from the papers that he was abroad, and from the reports in the trade that he had gone abroad.

Senator KENYON. That question was discussed at that meeting?

Mr. TALIAFERRO. The question which was discussed at that meeting was the available number of orders in pounds that might be forthcoming.

Senator KENYON. From abroad?

Mr. TALIAFERRO. From abroad, to counterbalance the expected receipts of hogs, which would probably be about 25 or 30 per cent, as we figure, increase over last year.

Senator KENYON. And this question of keeping faith with the packers on the prices they have paid for hogs, that was discussed?

Mr. TALIAFERRO. Being paid?

Senator KENYON. If there was not some way to dispose of the products, the packers would have these products and lose great amounts of money?

Mr. TALIAFERRO. Oh, surely; that was the basis on which the discussion rested.

Senator KENYON. Who was present at that meeting?

Mr. TALIAFERRO. Well, there were representatives of the different packing houses, I suppose 25 or 30 or maybe 40, and about 25 representatives from the producers or producers' committees, or something on that order; ex-Gov. Stuart was one.

Senator KENYON. What committee did he represent?

Mr. TALIAFERRO. I think he is a sort of chairman of the agricultural advisory committee.

Senator KENYON. Was any plan decided on at that time?

Mr. TALIAFERRO. Yes; it was agreed that the prices of hogs, as far as possible, would be maintained, I think at 17½ cents basis. I think that is the meeting at which we agreed that if we had these orders we would be able and would pay 17½.

Senator KENYON. What was the discussion at that meeting about the nation of Great Britain?

Mr. TALIAFERRO. At that meeting, Britain, as I remember now, had in hand a very heavy order for provisions; I think in the neighborhood of 179,000 tons.

Senator KENYON. Of meat?

Mr. TALIAFERRO. Of meat and lard; that is, they had that at that time and did later place it.

Senator KENYON. What I asked you about was this: I understood you to say there was a discussion of Britain's action as to canceling contracts for pork. Was there anything about that?

Mr. TALIAFERRO. Britain, to my knowledge, has never gone back on or canceled a contract since that Government was established, and it never will.

Senator KENYON. You misunderstood me a while ago or I misunderstood you. I understood you had a meeting because of this situation that had arisen over cancellation of contracts. I do not know whether they canceled contracts. I share in your estimation of Britain.

Mr. TALIAFERRO. No, Senator, they did not cancel any contracts, but they said at that meeting they expected the orders would continue. We had been operating on that basis, and the operations fell off.

Senator KENYON. I saw in the paper that they were canceling contracts.

Mr. TALIAFERRO. The paper was wrong.

Senator KENYON. They expected to keep on ordering?

Mr. TALIAFERRO. They expected; I feel sure they honestly expected to have these additional orders.

The CHAIRMAN. But simply did not make contracts that you expected they would make?

(No response.)

Senator KENYON. There were no contracts broken. I do not think Britain is breaking any contracts.

Mr. TALIAFERRO. Britain would not break contracts.

Senator KENYON. That situation has arisen now, with all this surplus, and you must find a market for your surplus?

Mr. TALIAFERRO. We have to have a market for our surplus.

Senator KENYON. And this \$100,000,000 will help to find a market for your surplus?

Mr. TALIAFERRO. \$100,000,000 does not go very far. That is a revolving fund, and therefore it merely takes up the slack between the producer and the consumer—between the packer and the man who eats the meat in Europe. That revolving fund can be used over and over again as long as it only covers the slack between the packer and consumption there.

Senator KENYON. Of course, it can be used longer as a revolving fund than if it is absolutely given away.

Mr. TALIAFERRO. And if it is used as a revolving fund I should say it would help the situation very much.

Senator KENYON. It would not help very far if given away.

Mr. TALIAFERRO. It would not help very far if given away and no returns came back from it. But my understanding is that it is being used as a revolving fund; the meat goes to the people, and they in turn will present securities or money value that can be cashed or used again in getting more supplies.

Senator KENYON. Where did you get that understanding?

Mr. TALIAFERRO. It is my own personal understanding. That is what I naturally would understand or figure that if I had anything to do with it; that is, that would probably fit the case.

The CHAIRMAN. That will let you out on your 17½-cent contracts?

Mr. TALIAFERRO. We have an agreement to pay 17½ cents for hogs, and other markets in proportion to that, until the 1st of February.

The CHAIRMAN. And that will take care of the stocks which you have on hand which you purchased on that basis, and also take care of the producers which are selling in the meantime?

Mr. TALIAFERRO. Yes; to a large extent. I do not think it will do it, but it will act as an insurance policy for a large percentage of the profits that to-day has been put down under the 17½ cents.

The CHAIRMAN. If this were a larger revolving fund, it might be able to keep the prices of flour up so as to obviate this "white elephant"?

Mr. TALIAFERRO. Oh, no. You would have to have a revolving fund of a billion dollars.

The CHAIRMAN. That is too big a white elephant.

Mr. TALIAFERRO. There is not any place around here where you can bury it.

The CHAIRMAN. That white elephant crept in because of violation of fundamental laws of supply and demand?

Mr. TALIAFERRO. That crept in because you signed the armistice the 17th of November instead of the 17th of next July.

The CHAIRMAN. And if you have to jump that much, it is not very good economy after all.

Mr. TALIAFERRO. It is not anybody's fault, and I had rather see the Government pay it than not to have the wheat if we needed it.

The CHAIRMAN. I will not go into that, but we might have obviated it if we had let the people get what their wheat was worth in 1917 and 1918 and let them get what it is worth this year.

Mr. TALIAFERRO. We did not know what wheat would be worth to us. Wheat is worth a whole lot to a man who is starving; and if our armies ever there needed wheat I would be in favor of giving it to them if it cost \$10 to raise it and give it to them.

The CHAIRMAN. The farmers would raise it at \$10.

Mr. TALIAFERRO. And would not think he got enough for it if he got \$10.

The CHAIRMAN. I think the farmer has been about as conservative as the packers or anybody else in estimating their receipts.

Mr. TALIAFERRO. They are the best posted men in this country to-day. They do not need anybody to help them.

Mr. GORE. I also ask permission to have inserted in the RECORD an article from the Washington Times of the same import.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article referred to is as follows:

REAL REASONS WHY PRESIDENT ASKS PASSAGE OF FOOD BILL.

The real reasons for the insistence by President Wilson on the immediate passage of the appropriation of \$100,000,000 for food for Europe became apparent to-day, when the following facts were learned:

1. There are 36 cargoes of food of a value of \$55,000,000 already in Europe or on the way, and not one pound of them can be used until the United States Treasury has sufficient guaranty that all the shipments will be paid for.

2. Great Britain, whose contracts have been in large part the basis of Government fixed prices for pork products in this country, has suddenly and unexpectedly suspended all orders which were scheduled for January shipment.

To throw all this pork on the American market would ruin all but the strongest packing houses.

WOULD AVOID UNREST.

The real reasons for the President's insistence are to avoid the spread of unrest in starving Europe by providing food and to avert an industrial and financial disturbance in the United States by furnishing an outlet for the immense store of pork products now in hand.

Members of both House and Senate have been demanding more explicit instructions regarding the President's request. They have been unable to understand why the President has been so insistent and why he wanted the appropriation rushed through Congress and made immediately available.

If the Senate agrees to the hundred million appropriation—it has passed the House—the President will use more than half the amount in saving the 36 shipments of food already available and will not have to await the shipment of other cargoes from this country.

Right in the shadows of the warehouses, bulging with their stores and the docks groaning under the weight of their fresh food supplies from America, tens of millions of men, women, and children who survived the war are to-day facing death or disease from starvation and their governments are facing demoralization before the mad onrush of the Bolshevik.

LARGE SHIPMENTS READY.

On this side 500,000,000 pounds of pork and pork products are ready for shipment; so much meat has piled up at many important Atlantic ports that an embargo has been necessary to prevent further congestion.

When word was flashed over the wires to the packing industry that England had failed to "come through" and make good on her orders, 50 representative meat packers from all parts of the country hurried to Washington for conferences with the Food Administration officials.

Last October they entered into a gentlemen's agreement with the Government to maintain a minimum price of 17½ cents a pound for hogs.

The farmers had been appealed to through every known medium to raise more hogs, both from patriotic and monetary motives.

WILL MAINTAIN PRICE.

In establishing a high price the Food Administration, the Department of Agriculture, and the packers offered a bonus to increase production. Now that the farmer has gone ahead with what amounted to a guaranty by the Government of an extra reward and raised more porkers than this country had ever before had, this Government is going to try to maintain the price.

The packers, through their official organ, the National Provisioner, say that "it has been suggested that it is to the financial advantage of Great Britain to allow matters to lag a trifle. As stocks pile up in this country the tendency will be toward a price break in order to avoid loss."

"It is a question of honor," they point out, "and it is believed that the British will 'come through' and make good on their orders."

When the packers agreed to maintain the 17½-cent minimum price for the month of January, it was with the understanding that there would be Government and foreign orders sufficient to make it possible for them to pay that price and still do business.

The foreign orders failed to develop when England announced she wanted no more American pork products, but would raise her own.

PACKERS SEE CRISIS.

The packers foresaw that unless Government assistance was forthcoming ruin stared them in the face; institutions in which they held securities would go down with them; small packers would be forced out of business; pork products would glut the market and would have to be sold at a loss; other meat products would automatically drop and a financial crisis would be on.

Minimum prices fixed by the Government were not binding, but under the circumstances the acceptance of them by the packers made them operative and almost as effective as if they had been binding. The same prices were also effective in all the allied nations, since they were based on a scheme through which the world's pork supply was jobbed. The high Government official mentioned above, who, because of his position, asks that his name be withheld, holds that the present situation is brought about as a result of what he calls "the old-time selfish English commercialism."

SEES BRITISH COMPETITION.

He said that, in effect, it means that English commercialism is coming to the fore to repudiate a pledge of honor and to say to the United States, "We will not abide by your food rules—we will fix our own prices—we will reap our own profits—we will be your competitor."

"German commercialism wrecked Germany," the Government official declared. "It was selfish; it was rotten; it was too much for this age. It had the German people fooled."

"We are now having to deal with a brand of commercialism that is worse than Germany ever dreamed of; it is English commercialism. You may go back as far in her history as you like and you will find it."

"Mr. Hoover is having the very devil of a time over there trying to make England carry her end of the burden and play fair. We can only hope that she will come around shortly."

"There are now 36 shiploads of food supplies either already docked or about to be docked in European ports, but not a pound of them can be used to relieve the millions of starving people over there unless financial arrangements are made to satisfy the demands of the United States Treasury."

SAYS ENGLAND LAID DOWN.

"England has laid down on her agreement to take certain shipments of pork products. Much of the shipment in question is pork and pork products. It was sent over under the assumption that England would continue to make good her orders."

"These 36 shiploads of food represent \$55,000,000. The President is familiar with the situation."

"It was this, among other things, that caused the President to be so insistent in getting an appropriation of \$100,000,000 for immediate relief in the allied countries. The food is already over there. He needs the money to pay for it before it can be distributed."

At no time since America first cast her lot with the allies, the Government official declared, has coordination between England and America in regard to food been more urgent.

During the past year England has taken from this country double the amount of pork products of France and Italy combined.

If Serbia, Poland, Armenia, and some of the other weaker nations had some sort of organized government machinery with which to handle credits, much of the record-breaking pork supply of this country could be cared for, the official said.

WHITE SENSED GRAVITY.

Henry White, member of the American peace delegation, apparently sensed the gravity of the situation when he sent a cable message to Congress voicing the same sentiments expressed in the cable appeal of the President. Among other things Mr. White's message said:

"Aside from the stoppage of bolshevism, I understand there is in the United States considerable surplus of food accumulated at high prices, maintenance whereof guaranteed by our Government or assurance under its auspices, and it is necessary to dispose of this surplus in order to relieve warehouse and financial facilities as well as prevent serious fall in prices, with radical break in market, which would cost our country more than the appropriation asked for."

PACKERS IN WASHINGTON.

Under the caption, "Meat-export embargo disturbs the trade," the National Provisioner, official organ of the American Meat Packers' Association, carries the following article in its issue of January 11:

"Some 50 representative meat packers from all parts of the country having interest in export orders met with Food Administration officials in Washington on Wednesday of this week to discuss the congestion in the export situation caused by the stoppage of British shipments."

"When the packers agreed to a continuation of the 17½-cent minimum price on hogs for the month of January, it was with the understanding that there would be Government and foreign orders sufficient to make it possible for packers to pay the 17½-cent minimum price and still do business. Continuation of high live prices, asked as a means of satisfying the producers, was to be made possible by Government and allied support in the export market so as to make operations possible."

"The foreign orders promised for January have not developed, and meats packed on this expectation have piled up at Boston, New York, and Philadelphia awaiting shipping instructions until the congestion reached the point where the Railroad Administration declared an embargo on such shipments by rail to these ports."

"The situation became critical, and the packers' committee went to Washington to confer with the authorities. At the Wednesday conference, with about 50 packers present, Mr. Snyder, for the Food Administration, explained that his office had recently received word from the British food ministry in the United States to the effect that all orders for pork products for which Great Britain was responsible and which were scheduled for January shipping had been suspended."

SMALL VOLUME OF ORDERS.

"As a result there are definite orders on hand for January covering but 89,000,000 pounds of pork products, against which the packers are offering 500,000,000 pounds. In addition to the definite orders on hand the Food Administration believes that the foreign buyers will actually take during January enough more to bring the total up to 473,500,000 pounds."

"In commenting on the present situation Mr. Snyder said he firmly believed that the potential demand for our pork products in Europe was greatly in excess of the domestic supply."

"He stated that many of the foreign nations, especially the smaller nations, are in bad shape financially. This does not include Great Britain, France—which has a credit balance in this country—and Italy, which has a credit balance in that country."

"Holland's finances are satisfactory, but she has not yet satisfied the allies as to her intention to observe the regulations governing re-sales to enemy firms. Even now, in advance of the peace congress, the matter of an exchange of commodities with Germany is under discussion, potash probably being the material with which she will obtain food during the coming winter."

"Food Administration officials made no secret of their disturbance at the action of the British authorities. They have drafted a letter to the British food ministry in the United States, which will be cabled to London, and may ask Mr. Hoover to reinforce their action by cabling him the sense of this meeting."

SUGGEST PACKERS COMBINE.

"They have suggested that packers take joint action under the Webb bill, in manner similar to that recently taken by the textile industry. The wool and cotton men, acting together, have sent a man to Europe to act for them collectively."

"To complicate matters, the War Trade Board on Wednesday put on the free list four Scandinavian neutrals. This may tend to demoralize the market, and an effort will be made to have licenses so worded as to protect the market and the allotment packers who have been cooperating with the Government."

"Food Administration officials admitted that the packers as a whole had made less than the 9 per cent permitted them under the Government regulation of their profits; that there was available sufficient shipping space to handle the full amount of meat; and that while there was probably ample freezer space available, there would be even more as soon as beef commenced to move more rapidly."

"It has been suggested that it is to the financial advantage of Great Britain to allow matters to lag a trifle. As stocks pile up in this country the tendency will be toward a price break in order to avoid loss. It is a question of honor, however, and it is believed that the British will 'come through' and make good on their orders. It is believed that the next 10 days will see a change for the better in the situation, and that everything will be all right before the first of next month. Already slight relief has been given by allotment orders from the new European relief commission. The total is small, however."

"Packers who spoke on the subject stated that adequate relief must soon be given or they would be forced to greatly reduce killing. They mentioned the bad effect on export trade of the Atlantic seaboard tie-up, and asked that the Government be requested to hold out for giving American packers the advantage of freedom among neutrals of the right of resale."

"It was evident that all the packers were ready to 'go the limit' to help the Government and to keep their word on the hog-price matter, but that they also expected the Government to protect them to the extent of promises made, on the basis of which they had undertaken to operate."

Mr. MARTIN of Virginia. Mr. President, nobody on earth has any right to say that any part of this money is to be used to stabilize the market anywhere. The bill speaks for itself.

Mr. NEW. Mr. President—

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Indiana?

Mr. MARTIN of Virginia. I will yield for a question.

Mr. NEW. It is not a question, but I shall not intrude long on the time of the Senator. As I understand, the question before the Senate is the amendment offered by the Senator from Pennsylvania [Mr. PENROSE], and in that connection the Senator from Virginia either read or caused to be read a statement by Mr. Hoover to the effect that the money to be expended for food supplies is to be spent in the United States, at least I so understood. Mr. President, that prompts the report that that is only the word of the gentleman giving it and is bound by no legal obligation or anything of that sort; it may be set aside or broken in a moment. I do not mean to reflect on him. He no doubt intends to keep his word.

But if it is the purpose or wish of the Senate that that point should be safeguarded and that the money should be spent in the United States, it is very much better to trust to the substance of the law than to the shadow of a promise. I recall, as every other Senator here does, I presume, that in the early days of the bond issues we were told by the War Department and by the Treasury Department that every dollar that was raised from the early liberty loan was to be spent in the United States for munitions, ammunition, explosives, and articles of a similar kind. At the direction of the Treasury officials and the War Department officials I went out, as nearly every other Member of this body did, I presume, and said to the people to whom we were undertaking to sell those bonds that the money was to be spent in the United States. It is a matter of common knowledge that a great proportion of it has been spent abroad; that supplies were bought in England, France, and all the countries of Europe, except those with whom we were at war, to the amount of hundreds of millions of dollars. I have no doubt that it was the intention of the authorities at that time that that money should be spent in the United States, but it was not so spent; and there is no more reason why this guaranty now given by Mr. Hoover should hold good than there was that the guaranty given by the Treasury authorities and the War Department authorities in those days should hold good.

Mr. MARTIN of Virginia. Mr. President, the extract which I read stated—I will read it again—

Allies are willing and anxious to do all they can, and have and will contribute to the full extent of their resources, but it must be borne in mind that most of the food must be purchased in the United States, and American money would be used for such purchase and transportation.

Now, as to meat foodstuffs, I do not know of any place in the world where there is a surplus except in the United States. There are other places where wheat may be procured, but we have a large surplus of meat products.

Mr. PENROSE. Do I understand the Senator to accept my amendment?

Mr. MARTIN of Virginia. I do not; I have not indicated such a purpose, and I can not imagine why the Senator should conjure up in his imagination any such idea. I have not alluded to it.

Mr. PENROSE. I thought it was so closely in harmony with the persuasive utterances of Mr. Hoover that the Senator would cheerfully accept it.

Mr. MARTIN of Virginia. I do not accept it. The Senate can do with it as it sees fit. So far as I am personally concerned, I am unwilling to do an act of charity or benevolence in the attempt to save starving people from death, and accompany it with the statement that if we act at all we must make a profit out of the transaction. I say it would be unfortunate for the Senate of the United States to attach a profiteering condition to a donation to save starving people.

Mr. PENROSE. Mr. President, one more word and I will not interrupt the Senator further. How does it make it a profiteering arrangement to require that wheat, which the Government is compelled to buy at \$2.26 a bushel, shall be bought by this revolving fund if any wheat is needed to send to Europe?

Mr. MARTIN of Virginia. They may be able to get it cheaper elsewhere; and I say it is profiteering when you fix an arbitrary price. I do not know whether it can be purchased any cheaper or not; I do not know whether they will come here for it or not; I hope they will. I believe this market affords the best opportunity for them not only to buy meat stuffs but breadstuffs.

Mr. CURTIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Kansas?

Mr. MARTIN of Virginia. I yield.

Mr. CURTIS. May I suggest that Mr. Glasgow testified that the grain corporation of the United States Government had 143,000,000 bushels of wheat on hand now?

Mr. MARTIN of Virginia. I remember that; and I have stated that there was a very large amount of wheat in the elevators and granaries held and owned by the Government of the United States for which they paid \$2.26 a bushel.

Mr. PENROSE. What objection is there to sending that wheat to these sufferers in Europe?

Mr. MARTIN of Virginia. I am very willing to have them come here and buy it, but I am not willing to say, "I will donate something to save you from starving, provided you will buy my wheat at prices greater than you can get it for from other people."

Mr. PENROSE. The Senator does not mean to express the idea that we are really going to be paid for these foodstuffs?

Mr. MARTIN of Virginia. I have not any doubt of it, with very slight exceptions. The amount appropriated is to be used as a revolving fund. Some little of it will be lost, used in charity, but for the great bulk of it we will have the obligations of foreign countries, and we will get the money back. The Senator, however, wants not only to get the money back, but he wants to be assured of getting a profit; he wants to do a profiteering business. I thought war profiteering was not in much favor among the people of this country, but the Senator is holding on to it with great tenacity, and he wants to donate money to relieve people from starvation, provided they will pay him a big profit.

Mr. PENROSE. Mr. President, will the Senator permit me?

Mr. MARTIN of Virginia. I yield to the Senator.

Mr. PENROSE. Will the Senator accept my amendment if I restrict it to those supplies for which the Government of the United States is not repaid?

Mr. MARTIN of Virginia. I do not think any such amendment as that ought to go in the bill. It might all be repaid; I do not know what part will be repaid, but we are assured that most of it will be repaid. There will be some little loss in charity—that is the information we have on the subject—but I think we ought to do it freely, generously, and voluntarily. If we are going to relieve these people from starvation, we should take the foodstuffs and hand them to them, and the governments under which they live can repay it if they desire to do so; but I am not willing to put them on terms to pay any particular price for any commodity which we are to sell.

Mr. ASHURST. Mr. President, I wish to say at the outset that I have no sympathy whatever with the assaults that are now being made on Mr. Hoover. He may be a Republican, he may be a Democrat; I care very little about that. I think he is a citizen of the United States; and if he is, the United States may well be proud of him. But he is a citizen of humanity; he is a citizen of the world.

I expect to vote for this bill. I regard it as simply an act of charity. If we pass this bill it will be simply a ladling out of bounty and charity to distressed people.

The distinguished Senator from New Hampshire [Mr. HOLLIS], who has just returned after a sojourn of some months in Europe, and who attended the sessions of the interallied council on finance, who handled the subject of foreign loans and rendered great service to this country and to the allies, said in his statement before the Committee on Appropriations:

I consider that Bolshevism is like a boil on a diseased system. It indicates something wrong.

Mr. President, that is true. Bolshevism is a boil that should not be nourished but should be lanced. The so-called Lodge amendment to this bill has improved it immensely. I am opposed to feeding anything but hot lead to murderous Bolsheviks, anarchists, and others who seek to destroy the civilization which has been built up on this earth after so many sacrifices and so much painful labor. I would not vote for this bill if I thought one dollar of the money appropriated by it would be spent among those brutal Germans who sank to the bottom of the ocean millions of tons of foodstuffs. Consider that the Bolsheviks, so I am told on responsible authority, allowed 4,000,000 pounds of meat at one point to spoil because they were too lazy and indolent and trifling even to bring it in where it would not be contaminated and ruined. Talk to me about feeding Bolsheviks that have not energy and nerve and industry enough to save the foodstuffs they already have!

With perfect respect to the eminent chairman of the committee who reported the bill, the Senator from Virginia [Mr. MARTIN], I think all this talk to the effect that we are going to get back every dollar of this appropriation is without foundation. In my judgment not a dollar of it will be paid back. It is a charity, a bounty, a gift. But better no charity, better no bounty given at all, than that given grudgingly. People do not appreciate that hospitality which is grudgingly extended.

I repeat, while I am for the bill I am under no delusions in regard to it. There are no rainbows in my spectacles. I know that this is for charity; and as such, in view of the perilous position in which the world now is, I am inclined to favor the bill. But, Mr. President, while charity is a beautiful thing, while mercy is a beautiful thing, charity and mercy do not build governments nor make a people strong and great. It is justice that does that. It would not be justice, it would not even be real charity, to feed the peoples in the former German Empire. It would neither be justice nor charity to feed the Ottoman Turks; neither justice nor charity to feed any of those within the recent Austro-Hungarian Empire. Do you think I am going to vote a dollar of American money to feed a Bulgarian, who if he comes to our shores will come to destroy and not to enjoy our institutions?

While we are doing charity I am going to assist, in so far as my vote is concerned, on the main bill, and I shall vote for the bill even if my amendment is defeated. Let us also do justice, which is better than charity. Justice will build governments. Justice will sustain governments. Over in Europe now there are 1,800,000 American soldiers. How long they will be kept there, inscrutable fate can not tell. Even she does not know; but they are there. They should be brought home at once. The Army here is being demobilized; bring home our overseas troops. The young Americans who hurled back the Hunish brute and rescued us from the sword of the Turk and from the infamy and the atrocity of the Bulgar and from the Magyar should have justice. So, Mr. President, while we are dipping our hands into the Treasury and ladling out charity to those who do not understand our institutions here, who do not understand civil liberty, let us do justice to those whose valor and energies have preserved civilization.

Here is an amendment which I am going to propose, and I hope it will be adopted, viz:

Add a new section, as follows:

That every soldier, sailor, and marine in the Army and the Navy of the United States, upon receiving an honorable discharge, shall be entitled to keep and retain as his own property the uniform and overcoat and other articles of apparel he is wearing at the time of his discharge, and that no debt nor charge whatever against him shall be entered by reason of his so retaining such uniform, overcoat, and other apparel.

The next item will call for an expenditure of about \$300,000,000. But are you going to pause in doing true justice; are you going to vote \$100,000,000 for charity but nothing for justice? To resume:

And there shall be paid to every soldier, sailor, and marine full pay for 90 days next ensuing after the date of his honorable discharge.

We would not have any charity to dispense; we would not have any Treasury from which to draw; we would not have any schools or churches; we would not have any ships or

harbors, or temples of learning, or temples of religion, or homes, or aught else to make life worthy had it not been for the valor and the sacrifice of these American soldiers, who gave up the opportunities of civil life, who gave up their gainful occupations, and by their strength saved this Nation so that it might have food to dispense to other peoples.

It seems to me therefore that while mercy and charity are beautiful attributes, wonderful things, that go to help sustain a liberty-loving country, the main question is lost sight of. The soldiers who helped us, the soldiers who themselves preserved our liberties, who made it possible that we could be charitable, bountiful, and magnanimous to other nations, are being entirely overlooked, just as a Chinese gambler on the Pacific coast would overlook a "white chip," if you know what that means.

So I will ask for the yeas and nays upon this amendment.

I had it in mind to offer an amendment providing for six months' pay to every soldier, but that would be too heavy a drain upon the Treasury at this particular time, although it would be nearer justice to the soldier.

Mr. President, that constitutes all that I have to say upon this subject. At the proper time I will offer the amendment; and I ask now that it may be printed for the discussion of the Members.

The PRESIDING OFFICER (Mr. KING in the chair). The Senator from Arizona offers an amendment which will be stated.

Mr. ASHURST. I just tender it, and ask that it may be printed, Mr. President. I will offer it later.

The PRESIDING OFFICER. Does the Senator offer it as an amendment to the pending bill?

Mr. ASHURST. No; I understand that I can not offer it now. I simply tender it, and ask that it may be printed; and at an early time I will offer the amendment.

Mr. THOMAS. Mr. President, for the purpose of removing any uncertainty regarding the President's price-fixing order of February 21 of last year, let me read the concluding sentence of the order:

The sums thus determined and fixed are guaranteed by the Government of the United States at the respective principal primary markets of the United States above mentioned to every producer of wheat of any grade so established under the United States grain-standards act, upon the condition that said wheat is harvested in the United States during the year 1918 and offered for sale before the 1st day of June, 1919, to such agent or employee of the United States, or other person, as may be hereafter designated, at any one of the above-mentioned cities, which are, for the purposes of this act, hereby declared to be the principal primary markets of the United States, and provided that such producer complies with all regulations which may be hereafter promulgated in regard to such guaranty by the President of the United States.

From which it will be seen that this guaranty applies to the crop of 1918 if it is marketed by the 1st day of June next, and to that only.

Mr. LEWIS. Mr. President, I direct the Senate's attention for a few minutes to a phase of this measure which I fear we are overlooking, or failing to contemplate, because of the many conflicting collateral questions which have been intruded upon the measure.

This bill has been explained with fullness by the able chairman of the Appropriations Committee. He does not need the aid of anyone; but in my opinion its passage, as well as its understanding, has been very much embarrassed by the viewpoint expressed by Senators, gathered from prejudices they entertain upon phases of government that are no part, as I see it, of this measure, and which I fear, unless we are cautious, will greatly embarrass the passage of the bill and tend to bring about a result that is not in the intention of any Senator here, by paying heed at this time to these collateral matters which I regard as foreign to the measure.

Let me be specific. Senators object to the measure upon the ground that it may be administered by Mr. Hoover, against whom certain Senators have a stated prejudice. Other Senators object to the bill because it will result in the purchase of supplies now held by packers; such is their apprehension; that may or may not be true. Other Senators object to the bill because they think that in some manner some of its benefits or benefactions may filtrate to those whom they do not wish to be the objects of our generosity. Each of these Senators conceives his particular objection as sufficient to cause him to oppose the bill.

Mr. President, this is a measure brought in here to feed the hungry. It is brought in to relieve distress. It is proposed upon the ground of another exhibition on the part of the United States of its generosity to the needy of the earth. We are either for that purpose or we are against it. We either wish to grant this bounty or we do not. If motives purely collateral, touching other subjects foreign to the measure, are to control us, then our decision in the final result is influenced by anything else and

everything else than that which the bill is intended for, and our vote will be inscribed against ourselves when it in no wise has expressed our viewpoint or our conviction upon the merits of the measure itself.

Of course, to the sense of charity of any human being a hungry person appeals keenly; and when we see from the press reports that there are millions in distress and dying in the panic of starvation, amidst all the chill of coming winter and all the indescribable devastation that must be upon these people and yet to come, our sympathies are immediately aroused. We can say, with the observation in King Lear:

Poor naked wretches, whereso'er you are,
That bide the pelting of this pitiless storm,
How shall your houseless heads and unfed sides,
Your loop'd and window'd raggedness, defend you
From seasons such as these?

But, Mr. President, what I wish to impose upon the Senate, if I may, is this thought, that whether it is our charity which inclines us kindly to the support of the measure or personal objections to certain administrative features of our Government that shall induce us to oppose it, I beseech you to count the result; and here is where I impose upon your attention, I trust for a minute, and I ask your attention.

First, I ask the attention of the Senate to the fact that the President of the United States has requested this appropriation. He is on the ground. He must know why he asks it. He must know, my fellow Senators, some reason why he feels that this Government will be compensated in yielding to his request, either by compensation bodily, in the manner explained by the Senator from Virginia, or by compensation spiritually.

Now, Mr. President, suppose for all these collateral reasons you defeat this measure. I invite you to the thought that this is the first request made by the President of the United States since he sat at the peace conference for anything that he regarded as essential for harmonizing those frictions which are flashing through that conference. It is the first request that has been made for anything which in his judgment will bring about a concord of circumstances and contribute to the object you all have in view—a speedy peace and an early tranquillity of those nations.

Now, Senators, let us assume that the different objections presented by eminent Senators, sincere as they were, on different collateral phases of the bill shall prevail and that there shall be enough votes to defeat the measure—before the world how do you stand?

First, that the very first request made by the President, partaking of no partisan attitude—for that can always be understood abroad—is defeated, with all the discouragement that at once attends it and all the misconception and misconstruction that would follow it.

Second, Senators, you would have before the world the fact that it was the Senate—the United States Senate—which defeated the measure, after the House had passed it, and you would give license to those who have been misrepresenting the Senate in different parts of the world with the accusation that it was only biding its time to defeat anything the President of the United States should inaugurate in connection with the peace conference.

Thus a humane object, having no purpose whatever of a partisan nature, being advocated or opposed in no wise by Senators upon the basis of any partisan distinction, would be beaten upon these collateral issues, leaving the construction to follow that in this Senate, which was accused of opposing anything the President would undertake, in the very first request he makes he is defeated and discredited, when such was not your intention. If one of you has that intention, it is your privilege. You would have the right, if you felt justified in it; but in these different collateral matters that are being presented you are being allured to an object that I am sure is not within your views.

Now, Senators, a second phase of this matter, which will conclude the liberty I take with you.

The President of the United States must contemplate that by granting this measure we shall be able to feed those people who, in their hunger and in their distress, are in a condition of mind irresponsible for their own conduct. He must feel that the granting of this measure would compose these people and would bring about the harmony which you all desire.

Senators, should we defeat this measure, contemplate with me a thought I beg to suggest, as my own, of course. It may be at variance with yours.

Every one of the small nationalities which are in distress and hunger, as described by the eminent chairman when he opened the debate upon this bill, will be at once told that our defeat was to turn against them. They will see that the very first

call of theirs was disobeyed, their very first need ignored. These people, remember, Senators, turned against the Government under which they were and at the command of the President of the United States revolted and sought to set up for themselves a government of liberty and freedom; and for that they starved. They became, at our command, revolting agencies against the imperial kings who were oppressing them. But, while oppressed in liberty, they still had a method of getting bread. Then the imperial masters will summon these to behold the spectacle that we invited them, under the cry of "Come unto Me, all ye that are weary and heavy laden and I will give you rest," to hunger and starve them after we had brought them to the point of their distress where they could not aid themselves. Then, Senators, as I see it, in such a desperation they will turn upon the occasion, and the very first they will rend will be your soldiers—not in enmity against America but in opposition to the world of affairs.

Mr. REED. Mr. President—

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Missouri?

Mr. LEWIS. Yes.

Mr. REED. Does the Senator from Illinois really mean to tell the Senate that if they do not give this \$100,000,000 to feed these people they will rise against the American soldiers?

Mr. LEWIS. Mr. President, the Senator from Illinois may sometimes be perplexing in his observations, but he is usually clear in his intentions. My observations were just the reverse of that. I did not say that if we did not give them the money they would rise against the American soldier. I said, to the contrary, that one of the very first things that they would rend would be the American soldier, not because they would desire to assail him but because, in their temper and distress, their opposition and their resentment would be against the world; and if the Senator will but be patient for a second while I conclude the sentence he will see exactly my full meaning. It is this: They will then turn, Mr. President, against every organization of government that is around them. They will become a part of the agencies of confusion and destruction. It will become necessary then for the American soldier to be called, together with other soldiers, to maintain order. He will be invoked to remain in his present position to accomplish this object. In doing that he is at once confronted by this crazed mob of human beings, whom he must seek to suppress or to compose, quite as our soldiers in Russia have been called to the very same kind of undertaking; and, not with an intention to injure him, behold our soldier detained in Europe for two more years or for one more year or for six more months—aye, indeed, for one more month—longer than necessary, and himself and his life hazarded because of these consequences which would follow from these now discouraged men in despair and hopelessness.

That, I answer the able Senator from Missouri, is the position I assert.

Mr. REED. Mr. President—

The PRESIDING OFFICER. Does the Senator from Illinois further yield to the Senator from Missouri?

Mr. LEWIS. I do.

Mr. REED. I am glad the Senator made the explanation he did, because, if I heard him correctly, he certainly did say that unless this food was furnished to these people they would be the first to rend the American soldier; but I think he ought to modify his second statement. The effect of his second statement is that unless these people get this money they are going to turn against all law and all government and become a sort of international banditti. If they are that kind of people, they are not worthy of our charity.

Mr. LEWIS. Mr. President, while the Senator from Illinois thanks the Senator from Missouri for the suggestions that come from a source such as we know the Senator to be—able and thoughtful—nevertheless, he can not qualify his observation. I mean what I said, and I said what I mean. It is this—not, as the able and eminent Senator seems to construe, that such will be the result if we do not give them this money, for I made no such assertion; but I said if they were not fed and in their hunger and in their distress they lost the responsibility which men invariably lose when hungered and hopeless and in despair, they would then become a force against all organized society and every form of mankind; and among those who would first suffer from the effects of that, if this bill were beaten for other objects than the intention to do so—beaten because of these different collateral matters and collateral contentions which eminent Senators have urged against the measure—I do say, sir, it would mean, in the final end, that the soldiers of America would be kept there in Europe to help repress this disorder, to overcome this anarchy, and, sir, in order to accomplish the purposes of peace we would be keeping

our own soldiers in Europe for a time far beyond our intentions and in the meantime jeopardizing their health, their comfort, and their lives. Therefore, Mr. President, I besought the eminent Senators to contemplate what would be the result of their action if they should defeat the bill because of these collateral objections; and the query of the eminent Senator from Missouri is a complete proof of the assertion I made and that he has contemplated that these things could arise from the defeat of the bill if he or other Senators for other reasons vote against the bill, not intending at the time that any such result should follow.

Mr. President, I have assumed to point out two things, and on those two things I rest the imposition the Senate has kindly allowed me to put upon it:

First, the effect upon the President of the United States and his undertaking there, should he be defeated, with no intention on your part to do so and no desire on your part to do so, the effect of the construction would weaken him in every other form of mediation, consideration, or deliberation which for the balance of the time would occupy him. No editorials of writers, no speeches from spokesmen, no asseverations from American patriots, however much they supported him, would be of any avail against the very first act on the very first request at his very first sitting at the peace conference.

I state the last, and then I conclude.

Mr. THOMAS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Colorado?

Mr. LEWIS. I yield.

Mr. THOMAS. I think the Senator is mistaken with regard to the date of this request. The President cabled the substance of his request while in Italy, I think, the day after his arrival in Rome. It was not a request either accompanying or resulting from the first meeting of the peace conference.

Mr. LEWIS. The able Senator probably has been too busy, and I know how industrious he is, to recognize that the peace conference assembled on Saturday for the first time and is now in orderly procession; and if we defeat this now, known to be his first request to the Congress, it would be that the defeat comes to him as the very first act on the part of the United States Senate or the Congress—the Senate, I must insist, the House having passed the bill—as the very first act after he sits in the deliberations of the conference.

Mr. THOMAS. But it was merely a repetition of a request he previously made. It was transmitted to the chairman of the Committee on Appropriations of the Senate, the Senator from Virginia [Mr. MARTIN], by the President the day after his arrival in Rome.

Mr. LEWIS. That may be, but may I call my able friend's attention that in the last few days the President has sent cables and members of the American Commission have sent cables and now Mr. Hoover sends cables, and they ask and request all of you, and they are now sitting watching you with their eyes to see what will be done with it.

Mr. SMITH of Michigan. Mr. President—

Mr. LEWIS. I yield to the Senator from Michigan.

Mr. SMITH of Michigan. Does the Senator from Illinois know whether this purpose of the President is a part of the plan emanating from the peace conference? Does he know whether other States have decided to participate in this arrangement, or is it to be an exclusively American function?

Mr. LEWIS. I am compelled to answer the Senator by saying there has been read here by the chairman and also the report discloses that this is a cooperation. The measure here, I will say to the able Senator from Michigan, is a mere contribution on our part in cooperation with the other nations, and they have designated that they will not only contribute but this morning evidence comes to us of the relative amounts. Therefore I say to the Senator that I deduce from that that this is a demand of the peace conference, or those who sit around the peace conference, for the purpose of feeding the hungry to compose their differences in order to facilitate the ultimate peace we all hope for. Such is my deduction, such is my belief, and it is because of such I assume to present to the Senate my views.

Now, Mr. President, because of this may I beseech able Senators to contemplate the effect of their action upon the final results if they should not yield, and, even conceding the objections they urge to be well founded, that they should be urged at some other place than at this particular time; and I invite them, though the position be well taken, it is better for a little wrong that we might do a great good.

This measure, sir, I tender is for American humanity, for American peace, for the preservation of American interests as well, sir, as for European charity.

Mr. JOHNSON of South Dakota. Mr. President, I expect to vote for this legislation, and I wish as briefly as I can to state my reasons for so doing.

First and foremost, I want to read as a part of my remarks a telegram from the President of the United States, which appeared in the RECORD last Saturday, to the chairman of the Senate Committee on Appropriations [Mr. MARTIN] and the chairman of the House Committee on Appropriations [Mr. SHERLEY]. I do this for the reason it appears to me that the President feels that it is almost necessary to have this appropriation go through. I read:

PARIS, January 11, 1919.

TUMULT.

The White House, Washington:

Please convey following confidential message to Senator MARTIN and Congressman SWAGAR SHERLEY:

"I can not too earnestly or solemnly urge upon the Congress the appropriation for which Mr. Hoover has asked for the administration of food relief. Food relief is now the key to the whole European situation and to the solution of peace. Bolshevism is steadily advancing westward, has overwhelmed Poland, and is poisoning Germany. It can not be stopped by force, but it can be stopped by food, and all the leaders with whom I am in conference agree that concerted action in this matter is of immediate and vital importance. The money will not be spent for food for Germany itself, because Germany can buy its food, but it will be spent for financing the movement of food to our real friends in Poland and to the people of the liberated units of the Austro-Hungarian Empire, and to our associates in the Balkans. I beg that you will present this matter with all possible urgency and force to the Congress. I do not see how we can find definite powers with whom to conclude peace unless this means of stemming the tide of anarchism be employed."

WOODROW WILSON.

Mr. President, this cablegram is the basis of my reasons for supporting this measure. I do not know what the conditions are in Europe, nor do I think anyone here knows. Perhaps the members of the Committee on Foreign Relations are the best posted, but I do know that we have a commission selected and in attendance at the peace conference at Versailles, now in session, and that the President of the United States is at that conference. I further know that the President and each member of the commission representing the United States ought to be in a position to give us information upon which we could act. I do not believe there is a man in this body who would stand up and say that the President of the United States would cable that this appropriation of \$100,000,000 for the purpose as stated is vital and necessary, and in his opinion the only way in which peace could be brought about, unless he really thought so. This being true, tell us, then, what we could do except to support this legislation.

Mr. President, there is another phase to this question, and that concerns the condition of our country to-day, with Bolshevism overrunning Europe, which the President in his cablegram Saturday tells us is true. We know conditions in this country now are not such as we would like to see. We will soon have among us many idle men. We have now, according to the best authorities, 350,000 idle men in 19 cities. There is an organization in the State of New York which tells us there are 100,000 uniformed men now out of employment.

Mr. HARDWICK. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Georgia?

Mr. JOHNSON of South Dakota. Certainly.

Mr. HARDWICK. If we have three hundred and some odd thousand unemployed men in this country had we better not give them a little bread and a little money before we send this to Europe? [Applause in one of the galleries.]

The PRESIDING OFFICER. The Sergeant at Arms will remove the person from the gallery who made the demonstration.

Mr. SMITH of Michigan. If the Senator from South Dakota will pardon me, I think, Mr. President, that is a very thoughtless expression. I thought I saw the man who did it. I think he had on him the uniform of his country. I do not believe that he intended to offend the Senate. I hope the Chair will extend that leniency for which he is noted and not remove the offender for the first offense.

Mr. JOHNSON of South Dakota. I trust he will, too.

The PRESIDING OFFICER. There has been considerable noise in the galleries, disturbing Senators who were attempting to speak.

Mr. LEWIS. May I invite your attention, sir, that possibly the occupants of the Senate galleries have not been advised lately that our rules forbid applause, while permitted in the House? Perhaps the spectator may have misunderstood and assumed that the same privilege prevails here as in the House. If the Presiding Officer will be so kind as to suggest to him our rules, I think we will not have another violation of them.

Mr. LENROOT. Mr. President, I merely wish to correct the statement of the Senator from Illinois. The House rules do not permit applause.

Mr. LEWIS. When I was a Member of the House I never knew any rule which prevented it.

Mr. SMITH of Michigan. The House rule applies with reference to the occupants of the galleries, but they have no control over their own Members.

The PRESIDING OFFICER. In view of the fact that the Senate is considering a matter which appeals to the charity not only of Senators but of the world, and in view of the appeal made by the distinguished Senator from Michigan, the Chair will exhibit the same charity, and request the Sergeant at Arms to instruct the offender not to repeat the offense upon the penalty of being removed from the gallery. The Senator from South Dakota will proceed.

Mr. McCUMBER. Will the Senator yield to me?

Mr. JOHNSON of South Dakota. I yield.

Mr. McCUMBER. I understand from the Senator there are several hundred thousand unemployed people in some of our large cities. Does the Senator know whether there is a demand in those cities for labor?

Mr. JOHNSON of South Dakota. I do not.

Mr. McCUMBER. I predicate my question upon what I have seen in all of the papers of New York, Washington, and every other city. You will find 20 applications for persons to be employed where you will find one who asks for employment. It may be true that there is a lack of employment, but I think the Senator will find the lack of employment grows out of the fact that wages are now so enormously high that no business can afford to pay the prices. If these men will go back to work at reasonable prices, they will find that there is plenty of employment in the United States.

In my own State, and undoubtedly in the Senator's State, the same is true, because they are adjoining States, we are making application every day to get young men discharged from the Army—men with families at home who can not hire help anywhere and who have nobody to take care of their stock except the women and little children. I think if we would discharge a great many of those people from the Army there would be employment very quickly for them.

Mr. BORAH. Mr. President, the statement of the Senator from North Dakota [Mr. McCUMBER] that there is necessity for labor in some agricultural States of the West and no one there to take up the work which we have is true. But, Mr. President, that does not meet the situation which now exists in some of the cities. People who are congregated and congested in the great centers of population can not get to those places and they can not perform the services that are there desired in the far West.

But what I call particular attention to is that the Senator says "if these men will go back to work at a reasonable wage." What is a reasonable wage in view of the prices of products in this country now? I do not myself know how what was called a reasonable wage prior to the war would furnish a basis for the existence of a man upon present prices. I do not know how he would keep his children clothed and his family fed upon what was called a reasonable wage at that time.

Mr. McCUMBER. If the Senator from Idaho will allow me, I think he is falling into the error that every time the increased cost of labor sends up the price of the product of that labor you must then increase the price of labor again to meet the increased product of his labor, and when that goes up higher you must increase the price of the labor again to meet the higher cost of living, because as a matter of fact while before the war, taking ordinary products, the labor and the raw material were about 50-50, there are now in most cases more than 85 per cent representing labor, which shows that the raw material has not gone up anywhere to the extent that labor has. Therefore labor has added very much more than any other thing to the present cost of living.

Out in my own State we raise sheep. We were unable to get men to take care of them for five and six dollars a day at any place during the fall of the year. The Senator knows that. He knows the conditions in his own State. In our own State there is a big demand for labor. I was talking with a manufacturer of cars the other day. In one of the great cities where there has been a surplus of labor he informed me he would probably have to shut down in a short time, simply because the price of labor was so high he could not continue the business. When you come to paying \$6, \$7, \$8, or \$10 a day for the most ordinary labor the business of the country will not stand it. They can not go on at that rate. The present prices of products are so immensely high that in a short time you can not go on with your business. If a brick is to cost 10 cents you can probably build, but if your labor is so high that the brick costs a dollar you can not build.

Mr. BORAH. As I understand the logic of the Senator, reduced to a simple proposition it is that the high prices with which the world is now cursed are due to labor.

Mr. McCUMBER. I said the labor price had increased enormously beyond the increase of raw material in the proportion of the cost of the finished product, and that fact the statistics show.

Mr. BORAH. The Senator will agree that with the proposition the labor must at this time have a wage commensurate with and upon the basis of the high cost of living.

Mr. McCUMBER. Yes; but if you send the cost of living through labor so enormously high that you immediately paralyze business you are bound to have in the end a reduction in the price of labor, because there will be no business to employ labor, and that is what we are suffering from to-day more than anything else. We are suffering from the fact that with the present prices of labor in our cities a great many businesses can not run and produce as they did before the war.

Mr. BORAH. Certainly not, at the same price.

Mr. McCUMBER. They can not afford it.

Mr. BORAH. But the Senator does not expect labor prices to go back under present condition to labor prices before the war.

Mr. McCUMBER. Certainly not. I expect them all to conform to a new condition. I do not expect ordinary labor to hold up to \$6 and \$8 and \$10 a day when the business of the country can not stand it. I think they will reach an adjustment in time, but the point I want to make is that there is employment for those who want to really get employment in the country at living wages.

Mr. JOHNSON of South Dakota. Mr. President, answering first the Senator from Georgia [Mr. HARDWICK], who has now left the Chamber, I believe the Government is making all possible arrangements to take care of the hungry and needy in our own country, if such conditions are found to exist. There was an amendment introduced in the Senate to-day by Senator ASHBURST, of Arizona, providing for three months' pay for all discharged soldiers, which, I think, will become a part of this bill; if not, it will become a law before this Congress adjourns. The Senator from North Dakota [Mr. McCUMBER] has stated the real situation in the western part of the country. In the Senator's State and in my own State of South Dakota there is now and has been a shortage of labor all the time. It is impossible for the farmers to pay the prices which have been asked without losing money by the proposition, but they have been compelled to do it.

With regard to the statements which I made, I saw it published in one of the daily papers here in Washington a day or two ago as coming from the secretary of a labor organization, it only applied, as I said, to 19 cities. The statement was that 350,000 men were out of employment in the United States in the 19 cities.

The purpose which I have, or one of the purposes in voting for this resolution, is to stop bolshevism in Europe, because as it spreads there it will come here, and we know, and every other man knows, that want and hunger, as we understand the terms, make a criminal out of any man. This is the phase of the subject to which I allude. It would make a criminal out of any Senator in this body if it became necessary for the protection of his life and the lives of the members of his family that he do acts along criminal lines. The passage of this legislation, as I see it, will go a long way toward the prevention of the deplorable conditions now existing in the greater part of Europe to-day, and indirectly it will be a great benefit to the United States, for the reason that bolshevism in Europe, unless checked, will spread all over the world. Mr. President, stranger things have happened than that Europe might ultimately be destroyed by this class of people.

Again, Mr. President, this item of \$100,000,000 is an immense sum of money to me, but it would be a small thing to the country if you compare it with the possibility of another war. This sum would just about carry on the war for three days in the same proportion that it cost the country in the present war during the past year.

Permit me to say this, and then I will conclude my remarks. I believe the United States owes a great moral obligation to all her allies. We should stay by them until this war is actually ended and this great peril to the safety of the world is stamped out. How can any man reason that the war has actually ended when we are fighting in Russia the very armies which were created by the Kaiser of Germany and commanded by German officers now? We are fighting the same forces to-day. The war has not ended and can not end as long as our boys remain in Russia to accomplish the purpose for which they are sent. The passage of this measure will give them encouragement. It is not a question of going into Russia. We are already there. Do not you think we owe the people of Russia a great debt? From the best information we can gather their

losses are nearly 10,000,000 men in the war for freedom. It seems to me that we with our allies should stand together and assist these unfortunate people until they can establish a government of their own, which will be looked upon by the civilized nations of the world as a government which can be recognized.

The whole of southern Europe, the Balkan States, Poland, and the various Slavic States are a part or should be a part of the liberated people which this legislation is proposed to benefit. I do not believe this appropriation will be a gift or donation, as has been expressed on the floor. We have two or three Governments of these liberated people already in existence, and I believe they will repay to the Government of the United States their proportion of this money, as far as they can, and I have no doubt that all will eventually do so.

I think it is our duty, just as it was our duty to send troops into these countries to help liberate the world, to keep at least our moral and monetary influence there and help them establish the governments which we encouraged them to hope for in the democracy of the world. I have voted for and willingly given my support to all war measures since we have been in the war. I have cast votes which if a man had asked me two years ago to cast I would have thought him crazy, but I have "followed the flag"; I have voted for each and every war measure presented to the Senate thought necessary by the War Department.

I am confident if we show good faith toward our allies we should continue to give our moral support to each of them and extend financial credit as far as we can until the treaties of peace are signed and governments are established of recognized stability.

The prompt passage of this legislation by the Senate will show the people of Europe that we are willing to do our share in bringing to a final and successful conclusion the principles for which we have fought. Nothing less than this would show good faith. Nothing less would be our duty.

Mr. SHERMAN. One difficulty, I find, Mr. President, in supporting the measure unless it shall be very materially amended is the obligation which it imposes upon us in addition to those known to be necessary to assume between now and the end of the next fiscal year. In April, we are informed, a bond issue will again be offered of \$6,000,000,000. I learn from a communication from a Cabinet officer that we will be expected to contribute \$1,500,000,000 to a fund to establish credits for the allies in this country.

Under the existing law—

This Cabinet member says—

credit must be established by the Secretary of the Treasury, with the approval of the President, only for the purpose of national security and defense and the prosecution of the war in favor of the Governments engaged in war with the enemies of the United States, and the authority to establish such credit ceases upon the termination of the war.

He asks, therefore, for additional legislation which shall authorize the establishment of \$1,500,000,000 of credit to enable the allies to purchase material and readjust their conditions by having access to that material not only in our own market, but to transport it when manufactured abroad for the purpose of building up their own industrial affairs.

This would make, if it were followed, a draft upon our financial resources of \$7,500,000,000. With the \$100,000,000 provided in this appropriation, it would increase it to \$7,600,000,000. These, however, are only merely somewhat large drops in the bucket. Our annual appropriations will exceed that many times. Our tax levies will be required to meet all these appropriations, just how much no one is able to accurately compute at this time.

In addition to these obligations, we have our own burdens to carry. There are enormous private charities in this country administered by the Red Cross, by the Young Men's Christian Association, and by other organizations for the relief of various nationalities of the devastated countries. Every Senator in this Chamber knows how heavy those demands are upon his private resources. Scarcely a mail is delivered at the office of any Senator which does not bring one or more requests for help to some of our domestic charities, all of which are of a very meritorious character.

This \$100,000,000 will be administered by the head of the Food Administration now abroad. With great respect to Mr. Hoover, I do not believe that he understands very well the difficulties of production. His problem has been that of the distribution for many years, beginning with 1914 or 1915. His efforts have been confined to relieving worthy objects of charity or of help from national appropriations or private funds out of the supplies furnished him.

Mr. Hoover is not a factor in the production of any of the supplies. He asked for the \$100,000,000 through the voice of our absent Executive. The \$100,000,000 will come out of the Public Treasury. It will be provided in the form of credits to

be taken abroad. If the bill should be enacted into law the amendment of the Senator from Pennsylvania [Mr. PENROSE] ought to be adopted, because it will tend to support our own market, not necessarily to keep up prices—that has been attended to by governmental authorities in other channels—but at least it will give some relief to our own market. Without this amendment there will be no limitation upon where this fund shall be expended. It may be all or part of it expended in South America for food, grains, and meat. I understand it is to be pooled with something like \$300,000,000 in the hands of the allied nations. Possibly some of this fund, or a considerable part of it, might be spent in Australia to relieve the wheat market in that country.

That leads me to remark that we are now beginning to harvest what we sowed. We undertook to interfere with the natural laws of the market several years ago.

We undertook to fix prices by Government action. In some instances it was done by an act of Congress; in others by the interferences of various boards and bureaus, by their acts regulating the activities of what ordinarily is private business. At any rate, the Government now finds itself in a position where it is likely to be called on to maintain the prices it has fixed or to meet the contracts which it is at least morally bound to keep with the producers.

This is unofficial; I do not know whether any department would verify it or not; but I state that it is a market condition that imports of wheat into this country have been denied at the Pacific coast ports. No wheat can be brought into this market from Australia. I doubt whether imports of wheat can be brought into our markets from South America. This is for the evident purpose of keeping the price of wheat in the United States market at its present figure. The Government, having undertaken to guarantee prices, suddenly finds, with the end of the war, with a very large production of wheat in the United States, with fair crops abroad in such areas as are not under the control of military forces, that we are likely to have in world markets a reduction of present wheat prices. In order to prevent this decrease in the wheat prices, and consequent losses, the United States, if it has not actually prohibited as a war measure, at least is discouraging the importation of wheat from both Australia and South America. My information is that cargoes have been denied admission in the event they should be brought from Australia to the Pacific coast ports. This is for the purpose of supporting the market; it is that wheat prices may remain as they are.

The PRESIDING OFFICER (Mr. KIRBY in the chair) rapped with his gavel.

Mr. SHERMAN. Mr. President, I shall not follow the practice of my colleague to cease talking when others are at the same time talking in the Chamber, because it is a matter of indifference to the Senator occupying the floor at this time. It does not disturb me at all. If it be agreeable to other Senators, I am very glad that all of us may be busy at the same time. So if others desire to carry on conversation, so far as the junior Senator from Illinois is involved in it, the Chair need not call such Senators to order unless he feels that it is due to the dignity of the Chair or of this Chamber so to do.

The object of preventing imports of wheat is to support the price of wheat on the market, as I have suggested, Mr. President.

I am told further—and these matters of information I get from dealers in both flour and wheat at various points in the United States—for instance, in New York it is reported that the flour market is overstocked; that prices ordinarily would fall; that they would fall for the same reason that wheat prices would fall, but the Government is controlling the distribution of flour just as it controls the distribution of wheat, and is keeping up prices to millions of consumers. With matters in that condition neither wheat nor flour will be permitted to decrease in price; and if the Government can keep the wheat price up, it will do so as long as the Government itself is liable for the \$2.26 a bushel. It is rather a novel way for a purchaser who is "long" on the market to protect himself by keeping everything else out of the market, so that the price shall remain at the purchase figures or at a higher figure until he unloads.

Mr. KELLOGG. Mr. President—

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Minnesota?

Mr. SHERMAN. Yes, sir.

Mr. KELLOGG. Does not the Senator from Illinois think that it would be of more benefit to all the American people if the Government bought the crop of wheat for 1919 at the guaranteed price, which has already been made, and sold it in the market at the price in the general markets of the world, so that the American people would have the benefit of the same

market that the people of other countries have? The guaranteed price was, I understand, made because of the small crop of 1916 to induce the largest possible production of wheat in order to carry on the war and feed the armies and nations of Europe in order to sustain our cause.

The President, under his power, fixed the price of wheat last September for 1919. Now that the war has closed and the Government has got to carry out the guaranty, would it not be better to buy the wheat and sell it in the market so that all the people may have the benefit?

Mr. SHERMAN. I think it would, Mr. President. I will say, in response to the Senator's inquiry, that I think the better way is for the Government to act as a private person who has overbought on the market would act if he has the means, and the Government has. He either must do that in private business or he must become bankrupt. The better way is to settle, if the Government has the money, and assuming now that it will be provided, the satisfactory way would be for the Government to go out in the market for the 1,017,000,000 bushels of wheat, which is the estimated crop, buy that, pay for it out of the Treasury, and then sell it for the best market price that can be obtained.

Mr. KELLOGG. In order to do that, I presume we shall have to have some legislation of Congress.

Mr. SHERMAN. Yes, sir; undoubtedly that would be required.

Mr. KELLOGG. And we should have that because that crop will begin to be marketed in July of the present year. I think that is the best course to pursue, but I do not think we ought to compel the people of this country—all the people, those who are able and those who are not able—to pay the war prices simply because the Government made the guaranty.

Mr. SHERMAN. I am in accord with the Senator from Minnesota on that question; but the policy of the Government, manifested through the bureaus having authority, seems to be to the contrary. Their purposes seem to be to keep both wheat and wheat products at a figure that will protect the Government from loss. When the Government adopts a policy and carries it out, until the future wheat crop of 1919 is disposed of it must necessarily be at the cost of the consumer of the product, and higher prices.

Mr. KELLOGG. I am loath again to interrupt the Senator.

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Minnesota?

Mr. SHERMAN. Yes, sir.

Mr. KELLOGG. So far as this year's crop is concerned, which will be marketed under the Government guaranty, some legislation will be necessary in order to authorize the Food Commission to sell it at the market price and take the loss. That legislation, it seems to me, the Food Administration must have, and I take it that the present plan of selling at a price based upon the Government guaranteed price must be changed by Congress.

Mr. SHERMAN. I have no doubt of that. Congress must accept its share of the responsibility.

I remember when Senators voted here, it was argued that there ought to be a guaranty on wheat prices in order to stimulate production. The argument was adopted, "It is an artificial stimulus, it is true; but the conditions are artificial." The war conditions being abnormal, as they were, Congress deemed itself justified in making that guaranteed price. That is illustrative of the finite wisdom of mankind. Before we get through we shall have more of that, but this illustrates, so far as we have traveled, the utter unreliability of human judgment when men begin to interfere with markets. The Senate, the House, and the executive department undertook to perform a task that the business men—the producers and the distributors of a hundred million people—were carrying. We shouldered that burden. I think it was a shortsighted policy. I voted for some of it. It was a war policy, and I am willing now to vote for appropriations to buy the wheat or to change the price and to pocket the loss. We had better do that than to keep up the price of wheat and its resulting products in the Atlantic seaboard towns or to millions of private consumers. I agree with the Senator from Minnesota [Mr. KELLOGG] on the course to be followed by Congress.

All these cities must live between now and next spring. The food-producing centers can take care of themselves. There is no immediate danger of starvation there. Private charity will take care of Chicago; St. Louis will take care of herself and will feed her suffering poor; so will every other western city in the great producing areas of this country. It is other parts of the United States to which our attention must be directed; it is other parts of the world where the necessary food supplies must be had.

We now reach the point where we have not only the present crop, but the future crop must be taken care of. Additional legislation will be required for the Food Administration to meet the emergency. As a help toward mitigating that emergency and its rigors, the amendment offered by the Senator from Pennsylvania [Mr. PENROSE] to this bill has been prepared and submitted. It will to some degree help solve the problem in the proportion that \$100,000,000 bears in its relation to the whole number of hundreds of millions of dollars required to handle the grain crop from the producer until it reaches the consumer.

Before we finish this problem, Mr. President, we will be made painfully aware of an elementary fact in all perishable production, to which wheat belongs and to which most foodstuffs belong, in that there is a recognized limit in preserving it. From the time that a bushel of wheat is a potential article of merchandise in the field by being placed in the soil by the farmer until it finally passes into the kitchen of the consumer or into a loaf of bread or some of its by-products, somebody must own the crop.

There is no derelict in food; it is not floating around on the market subject to any taker that comes along. Every bushel of wheat, from the time the seed is put into the ground until it passes into the human system as food, must be owned by somebody. In the beginning a vast number of farmers in this country—wheat raisers—own it. They keep what they need for their own uses. Their surplus passes into the hands of others. The grain movement is very well known. In the earlier part of the thrashing season a certain portion of it moves into the market almost from the machine; another portion of it goes to the producers' bins, and stays there, they selling it as their needs require or in response to the favorable figure that attracts it out of the bin into the general market. However, when it leaves the producers' hands it must pass into the hands of the purchaser at the elevator, whether it be a large or a small elevator. Somebody must carry it; somebody must own it. The Government undertook to own the wheat crop of the United States and relieve the general purchasing public of that problem. It ran a corner for the supposed public good. Now, we must keep the Government's promise or we must do what the Government can always do, refuse to meet its obligation, and that is not to be tolerated for a moment.

We understand now who takes the loss. This loss, which eventually must come out of the Treasury, in ordinary times, Mr. President, is distributed among hundreds and thousands of people. It is distributed amongst the farmers, amongst the grain buyers, the elevator men, the millers, and everybody who acts as an intermediary between the producer and the consumer. When it is distributed amongst millions of people only a comparatively few are bankrupted; the rest of them pocket their losses, which are of such a character that they can afford to lose, although in the aggregate the amount runs into an immense sum of money. In this instance, however, a single purchaser last September undertook to take the entire wheat crop—that is what it amounted to—and guaranteed a price of \$2.26 a bushel, and when it did so it visualized on the market the problem of owning the wheat until it passes from the producer into the ordinary channels of consumption. These private intermediary holders, in normal times most of whom are looked upon with a hostile eye, the grain exchanges of the country, the great elevator systems at the terminal markets, most of whom are under fire nearly all of their lives and always are the subject of invidious criticism—these institutions, the elevators, the millmen, with their elevators, those who act as distributors, are the ones who carry the risk and own the wheat crop from the time it leaves the farmer or the producer until it passes to the consumers of the country.

The Government has legislated against grain exchanges. It has taxed them to death; it has made burdensome the transfer of property; it has taxed sales; it has laid its hand upon transactions for future delivery, almost stigmatizing them, per se, as gambling; and in various ways it has manifested its displeasure with those who handle the wheat crop, who own it in the intermediary stage between the producer and the consumer and themselves carry the risk. The Government and the people are now having visualized to them the problem, divided, it is true, among many hands, of carrying the wheat crop and the incidental risk of the ownership of that wheat crop. Future sales have been taxed almost out of existence; future deliveries have been regarded as little short of gambling in all of the foodstuffs under consideration—wheat and its by-products, rye, barley, and meats of every description—yet, Mr. President, the committee on cotton distribution of the War Industries Board sent the following telegram on December 9, 1918, to the presidents of the New York and New Orleans cotton ex-

changes—I read from the Official Bulletin of December 12, 1918:

Please read from the rostrum of your exchange before the opening Monday morning, post on the bulletin board, and send to each member firm carrying contracts the following notice:

"The prohibition of foreign and speculative short selling of contracts on the New York and New Orleans cotton exchanges ordered by the committee on cotton distribution on November 13 was an emergency measure.

"The conditions that existed following the signing of the armistice have been relieved and the emergency has passed.

"Our Government having made trade agreements with neutral nations, the export of cotton to all but enemy countries is now assured.

"Available tonnage in sufficient quantity to allow of exports fully 50 per cent in excess of last season's shipments is more than probable.

"The requirements of spinners and manufacturers can now be bought and moved without war-time restrictions.

"Confidence is restored, and under the circumstances the restrictions placed on the New York and New Orleans cotton exchanges on November 13 are hereby removed."

What restrictions? Restrictions on short selling. What is "short selling"? It is selling something that you do not have at the present time, but which you have confidence that you can get in the market at a price that will be fairly remunerative to you, and you are willing to take the risk. That is allowed in the case of cotton, but short selling in wheat is stigmatized as a crime. My constituents in Chicago can not so go on the board of trade without practically laying themselves open to prosecution.

It is the fact, Mr. President, that we have not taken a sane view of actual business operations on the market that has led to the toils in which we now find ourselves; and before we finish we will discover that if the Government undertakes to preserve an artificial price level for wheat and wheat products it will draw from the pockets of the consumers all of the difference between the artificial level and the normal market price that does prevail or will prevail in other markets. There is no escape from that; and, as the Senator from Idaho [Mr. BORAH] stated awhile ago, it will be at the expense of those who can ill afford to pay it if the Government continues keeping up the price and making consumers stand it.

I have from a broker in Chicago a report on wheat and flour conditions in New York City. A large surplus exists there, but the Government keeps its finger on the dealer, and refuses to permit sales to be made. There is the grain corporation of which Julius Barnes is the head—a very competent man in the wheat market—which practically is the great purchaser and controller of wheat and wheat products in the United States, both for the domestic and for export trade. We can have no lowering of wheat prices so long as the Government interferes. Flour must remain at its present prices, wheat must remain at its present prices, until the Government takes its hand off the market and permits the natural laws of trade once more to resume their operation.

Mr. President, this \$100,000,000 will be placed in hands outside of those of the President. Many other things have been placed in the hands of the President. I have no doubt that the very capable chairman of the Committee on Appropriations [Mr. MARTIN of Virginia], who has supported this measure and explained its provisions with great lucidity, has the utmost faith in the capacity of the President to choose agents who will properly spend this money. I have that faith to a more limited degree. I am reminded that the President can not attend to all of these matters himself; that is beyond the capacity of any human mind; so he chooses agents for the expenditure. He will choose Mr. Hoover in Europe, and has done so, and probably Mr. Hoover will select his own help.

The President did so in the matter of aeroplane construction, the appropriations of \$640,000,000 for which have never yet been satisfactorily accounted for. Mr. Hughes, in his report, recommended the court-martial of certain gentlemen, and the report of the Committee on Military Affairs, without passing upon the merely civil liability, found many things that were not in accord with good business. The President recommended in advance that such of them as by Mr. Hughes's report were found subject to court-martial be exonerated, and the War Department very recently, in a publication in the Official Bulletin, made the same recommendation, and a number of pages are occupied with reasons why these aeroplane officials should be released from all liability. I do not hold the President directly responsible for this miscarriage of justice. I do hold him responsible, however, for the agents whom he selected and who made such a thing possible. In this instance he has selected Mr. Hoover. Whom Mr. Hoover will select to spend the money in Europe I do not know.

Say that \$300,000,000 will be furnished by the allied nations, making a joint fund of \$400,000,000. In all human probability, the allies will have the major influence in the distribution of

that fund. Are we at war with Russia? Notwithstanding that we have forces about the Arctic Circle, on the Murman coast, and about Archangel, we are told that we are not at war with that nation. We are not at war with Russia technically; but in fact the military status is that of war, and there is no escape from that conclusion.

We are at war with the Bolshevik government of Russia, if it can be dignified by the name of a government; however, technically we are at peace. I remember that only last winter, not yet a year ago, the President sent his telegram of congratulations to the Soviet congress in Russia. Who are they? Mr. Trotsky, Mr. Lenin, and the military authorities whom they had brought out of various places where they had been in hiding for some time to take charge of the Bolshevik army. There never was such a ragged, tattered, demoralized crew seen in all history from the time when Walter the Penniless led the fore-runners of the crusaders centuries ago. It is a criminal movement. The I. W. W.'s in this country are mere suckling babes in destruction, disorder, and bloodshed compared with this government in Russia.

Technically we are at peace. We are told that they are starving. I have no doubt of it. Who is to blame? Some say the Czar. Some say the German. Some say the Bolshevik. It is enough to know that there is no food there. Production has ceased. When industrial concerns were taken by the Bolshevik government all the skilled workmen that had any brains were marked for slaughter. A Bolshevik decree took all land in Russia from its owners and gave it to the ignorant idle and the agitator. They were to produce food. They never work. The result is famine. Everybody that knew anything of the science of government was on the proscribed list. Every banker that had a dollar was a public enemy. Every man that had any sense and preached any restraint upon human passions became a victim. With such a government, which placed a premium upon the most unholy of human passions, an organized band of criminals, the peasants of Russia remaining on land had ceased to raise food in every place where they could be reached by this criminal element from the larger cities of this unhappy country. As soon as animals were produced to the food stage or crops were coming out of the ground or truck gardens had any human food in sight, it was taken from them. If any worthless money was offered, if they refused to take it, a bludgeon and dagger was legal tender in all Russia, and is yet.

Is it any wonder that the peasants of Russia have ceased to produce, that their flocks are scattered, that their food granaries, that their great cattle ranges that were left in the Ukraine country and in Siberia have passed into hands where the Bolshevik government can not go? All of the country subject to their jurisdiction is a vast wilderness, weltering in the blood of the victims that might raise food and produce supplies to support the people.

What are we to do? Feed the disturbers and their dupes by loading the American taxpayer with this \$100,000,000. Keep up the price in New York and in Chicago. We will not starve out in the country. We will take care of our poor in the townships and in the villages and in the cities up to 100,000; and in the larger cities in the food-producing area—Chicago, St. Louis, Kansas City, and elsewhere—we will take care of the poor there. There may be some shortage of supplies, but they will go through until next spring, and there will be no starvation in that country. But in the other areas, where there is not enough produced to feed the people, you must draw upon those supplies. Every ton of food sent out of our own country into Russia spells suffering for the children and the women in the Atlantic coast cities and elsewhere where the food production is not sufficient to supply the population of that country. That is what it means. There is no escape from it.

Mr. Hoover will have charge of the fund. We are not at war with Russia. Technically they will be entitled to a share. We have a small force in northern Russia, not enough to preserve peace in the affected areas where starvation is threatening. The only way to keep any part of the \$100,000,000 away from the Bolshevik vermin is to have on hand enough of the army and navy of the allies and this country to distribute it to the worthy at the point of a bayonet. Otherwise the deluded followers of the admitted self-constituted vermin and vagabonds that constitute that Government will seize the supplies we send to that country and appropriate them to their own use and let the bourgeoisie starve. Every Bolshevik is an able consumer. It is as a producer he lugs in the human procession. He will be present when food is visible.

His, Mr. Trotsky says, is "the government of the proletariat." "The proletariat" means every vagabond and criminal and tramp and worthless idler who has infested Russia for the last

25 years who has the breath of life in him to-day. We have no guarantee here that part of this \$100,000,000 will not be used for that noble band of ultimate consumers.

Here is Mr. Hoover's statement, of date January 7, 1919:

Our reports show specifically—

Speaking of the need of food supplies to be purchased by the hundred million dollars—

Finland, that food is practically exhausted in cities; that while many of the peasants have some bread, other sections are mixing large amount of straw. They are exhausted of fats, meats, sugar, and need help to prevent a renewed rise of Bolshevism.

No mortal in this Chamber knows the actual conditions in Finland. The department is somewhat limited in its information vouchsafed to us. Portions of Finland are in control of the Bolsheviks. The allies or United States military and naval forces do not control the distribution of food in that territory, except in certain limited places, I believe.

Mr. Hoover continues in another paragraph:

Baltic States, food may last one or two months on much reduced scale. They sent deputation to our minister in Stockholm imploring food.

Here, at least, are two areas within Russia that Mr. Hoover specifically proposes to make the beneficiaries of a part of the \$100,000,000 fund. How much farther he will extend it no one can say; but if supplies be sent to Petrograd, or to some of the interior Russian cities that are in control of the Bolsheviks, when we have once passed the bill in its present form we are without remedy. Part of our proceeds go into their hands. If the Bolsheviks take it by force of arms and keep it from reaching the worthy objects of charity in that country, there is no relief. An amendment at least ought to be adopted that will prevent its going to any point in Russia where the military forces of the allies and the United States will not control absolutely the disposition of the relief.

The Government now is engaged—it has been adverted to several times—in keeping up the price of wheat in order to avoid the draft upon the Treasury which otherwise would result from the redemption of its promise. What about all the rest of the public, engaged in various lines of production? There have been constant investigations here of the Union Stockyards companies for some time. Investigations have been on for some time of the packers—the so-called larger packers. There are many packers in the United States, but the investigation is addressed chiefly to the five large packers in Chicago. Notwithstanding they take up from 35 to 40 per cent only of all the food-producing animals in the United States, they are made the objects of the investigation; and much criticism has appeared for many years of them and their methods of transacting business.

By turning to the market reports I find that the price of hogs on the hoof is maintained at \$17.50 per hundred. Cattle prices run from \$17 to \$19.75 a hundred. Those are not the prices made by the packers. They are the prices the packers pay to the owners of the live stock. They are not the prices made by the United States alone, although there is a guaranteed price that shall not fall below \$17.50 on hogs. When it goes above that figure it is the price made by the general market and measured by the demand and market conditions generally throughout the country and the world. The packers to-day are loaded up with high-priced stock, bought at \$17.50 to \$18.50 a hundred for hogs, and from \$17 to \$20 a hundred for beef on the hoof. Their inventory values are based on the cost price of the live animal. They are literally carrying hundreds of millions of dollars of inventory values at high prices for the stock. Who guarantees to them that the prices may not fall? Nobody. The packers must go out upon the open market and sell their product. There is no guaranty by the Government of anything corresponding to \$2.26 a bushel for wheat.

Mr. GRONNA. Mr. President—

The PRESIDING OFFICER (Mr. TRAMMELL in the chair). Does the Senator from Illinois yield to the Senator from North Dakota?

Mr. SHERMAN. I yield; yes, sir.

Mr. GRONNA. Undoubtedly the Senator is correct in his statement that there is no law providing for any guaranty to the packers; but I am sure he will not say that the packers do not have an understanding with certain officials of the Government as to what they shall pay, nor that they do not have an understanding that they will be allowed to sell these products so as not to sustain a loss. We have had such testimony before the Committee on Agriculture and Forestry very recently; and I will say to the Senator that to-day the packers were instructed to pay 17½ cents for hogs, of course with only a gentleman's agreement that the Government, or certain Government officials—Food Administration officials, of course—would see to it

that no loss would be sustained. Is the Senator aware of that fact?

Mr. SHERMAN. I am, and have been for a long time. If the Senator is through with the inquiry, I will make some comment on it.

Hog prices are fixed, as stated, at \$17.50 by the express consent of the Food Administration. The Food Administration—I do not know what particular officer; at one time Mr. Cotton, at another time somebody else, but acting with the advice and consent of Mr. Hoover—made a \$17.50 rate on hogs. Certain understandings were arrived at on cattle. They were to pay not less than so much. The avowed purpose of these minimum prices was to stimulate, as it did in the case of the wheat producer, the production of meat-producing animals. It was to get a great crop of hogs moving on into the packing-house centers, in order that the allies' armies and ours might be victualled. The commissary was calling for large contracts. There was, after 1916 and 1917 and before we entered the war, when our markets had supplied the allies with meats, a coming crisis in the hog and cattle production. The Government, I think wisely, in view at that time of the existing emergency, made a minimum price on live stock, just as they made a \$2.26 guaranteed minimum price on wheat. They did it in order to induce the farmer and live-stock raiser to raise cattle and hogs, and furnish the basis of the commissary for this country and our allies.

The Senator again alludes to the fact—and it is true—that the packers were guaranteed, or were given to understand by a gentlemen's agreement, that they would suffer no loss in paying this minimum price, or whatever price should be thereafter fixed. It is a scale that is not absolutely binding. The Government can change it at pleasure, but it has not seen fit to do so up to this time. There was this gentlemen's agreement that when they sold their product on the market it would not be at a loss. The edible portion of cattle and hogs netted to the packers 9 per cent on the capital invested. That was the limitation made by the same Food Administration officers upon the profit of the packers on meat supplies. That is true also. They have confined themselves within the 9 per cent on the capital invested.

Mr. GRONNA. Mr. President—

Mr. SHERMAN. I yield.

Mr. GRONNA. I am sure the Senator will agree with me that this profit was not only upon the capital invested, but upon the surplus, upon all money borrowed, and upon all bonds. We have the absolute proof that it was not only upon the capital invested, but upon all money borrowed.

Mr. SHERMAN. I have no doubt of it, and I have always understood, in every business enterprise that I have had anything to do with, that surplus available for dividends, not passed to dividend account and distributed to shareholders, and money derived from bond issues, all passing into the treasurer's hands and being held there, as well as capital stock and money borrowed upon the corporation's promissory notes at the bank, are capital invested in the trade or business.

I happen to have in mind the fact that there is money borrowed at the banks by one packer alone to the extent of more than \$150,000,000, secured by collateral. That \$150,000,000 was used in the Union Stockyards in Chicago to buy daily the cattle and hogs and sheep that came in, seeking a market at that point. Study the purchases of stock at these points, Mr. President. It will be seen that from 40 to 45 per cent and sometimes 50 per cent of the entire arrivals of live stock are bought by the small packers and not by the five large ones. The Brennan Packing Co., the Anglo Packing Co., the Hammond Packing Co., the Kingan Packing Co.—an Iowa concern originally—and many others are all of them known as the smaller packers.

When we refer to invested capital it is not merely the capital stock of the company at the time of incorporation. I know that certain gentlemen have had it appear otherwise. I am keeping in mind the fact that the Federal Trade Commission, Mr. President, in the case of one packing company in Chicago, accused them of making grossly abnormal profits on their sales on a \$3,000,000 capitalization.

That \$3,000,000 was the original capitalization of the company years ago, when the father of the sons who are now running the business was living. There was a pride in the father's management of the business, neither to water nor to capitalize the concern beyond the \$3,000,000. Its credit was good. When it wanted more money, it went to the banks and borrowed it. It issued its promissory notes. Sometimes it issued its bonds; but it kept its credit good, so that it was never lacking for money. To-day its capitalization is still \$3,000,000. That is the stock capitalization, but the actual capital invested in the business the last time I examined figures runs up to over \$175,000,000—its surplus undistributed in dividends, its money derived from bonds, its money derived from short-time notes, bor-

rowed from the banks, and all of it passed to its credit and accounted for as invested capital.

The Swifts years ago, when the senior Swift was alive, were under a conservative management. He died and left the business to his sons. The family and other shareholders run the business. The senior Morris did the same thing. Edward Morris became the head of the business after his father's death and managed it until his death. There is not a dollar of watered stock in the original capital of either of those concerns or the other packers. They have borrowed since the war came literally millions of dollars to meet the great obligations that they have undertaken, on behalf of the Government, to furnish the commissary of the Army and the Navy with the necessary meat supplies.

Philip Armour founded the house of Armour & Co. He died some years ago, and Ogden Armour became the head of the packing business. To-day its securities are quoted and sold upon the stock market. They are listed in the great stock exchanges of the country. They, like the other large packers, furnish their treasury with the necessary cash to meet emergencies, with the rise and fall of markets and with great war contracts assumed, by going to the banks and borrowing money. More than that, they issue their promissory notes, which pass into the hands of note brokers, and are sold in the market outside of the banks. That is a recognized process of raising money; and all of these means have been employed during the war, or since they have assumed these contracts.

Mr. GRONNA. Mr. President—

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from North Dakota?

Mr. SHERMAN. I yield.

Mr. GRONNA. I do not want the Senator from Illinois to misunderstand me. I was not criticizing the packers in saying that they water their stock. I think they are very sound institutions. I was simply going to call the attention of my good friend from Illinois to the treatment accorded those people by Mr. Hoover and by the Food Administration.

If the testimony given to the committee of which I have the honor to be a member is false, then of course the statement which I am about to make is also false. But the statement has been made to the committee that never in the history of the packing industry have they made as much profit as they have made under the control of the Food Administration. The expert accountant who was before the committee on last Saturday stated the net profits of just one concern alone—Swift & Co.—after setting aside a sufficient amount of money for income tax and for excess-profits tax, was \$47,000,000, whereas in ordinary times, in normal times, and before they were under the control of the Government, their profits never exceeded \$6,000,000. I simply wanted to call the attention of the Senate to the fact that under Mr. Hoover or under the Food Administration control the packers have been treated very liberally.

The Senator is right in assuming that these men have borrowed large sums of money. That is true. That has been stated to us. One concern alone has at times borrowed \$150,000,000, but the more they borrow, I want to say, the more profit they make, because they can borrow at 5 per cent and they are allowed to make 9 per cent profit.

Mr. SHERMAN. How much is Mr. Ford allowed to make on the Eagle submarine chasers?

Mr. GRONNA. I can not speak for Mr. Ford.

Mr. SHERMAN. He is allowed to make 10 per cent, to begin with, and then has had advances of \$3,500,000 from the Government Treasury over here on the hill in order to start him in business. He and his son Edsel had to have Government help and got it, and got their 10 per cent profits, and the packers get 9 per cent on the volume of business. In the five largest packing houses in Chicago on every dollar turned over their per cent of profit is the lowest ever known. I will give the figures here. This is their per cent on each dollar of the volume of business.

Mr. GRONNA. Mr. President, I do not dispute that, but I want to say to the Senator that their per cent for the last year was 300 per cent larger than it ever had been in the history of the packing industry.

Mr. SHERMAN. Grant it; the increased volume of business handled by the packers every 12 months is much greater than that. That is the reason.

I will say further that the per cent of profit by the packers on each dollar's worth of volume of business of the five largest packers is less than the per cent of profit of the smaller packers. The smaller packers of the country, who absorb all the live stock purchased during the 12 months at the great primary markets of the country, except that taken by the five large packers, are making more profits on volume of business done

than the large packers themselves. I expect when the question comes up to go into this, but not on this measure, because it is foreign to the investigation of this matter and I wish to conclude this evening. The Senator from North Dakota [Mr. GROENNA] is correct. He has the advantage of a practical working knowledge of markets, and places the responsibility for prices and profits on the Government officers, to whom it belongs.

Mr. WARREN. Mr. President, perhaps the Senator may have given the figures before; but why not give us the percentage of profit on the total output of the packers?

Mr. SHERMAN. I think it is about 1.80 per cent; but that is subject to correction.

Mr. WARREN. I remember that it is something less than 2 per cent.

Mr. SHERMAN. It is under 2 per cent and is less than at any other time in the history of the packers, the volume of their business considered.

The volume of business is very much greater than it is in normal times, as a matter of course. I only refer to the 9 per cent profit of the packers in order to show that they have not been treated as well even as other industries during the war. They have been limited in their profits.

Another thing that is literally true, and which I hope will be given to the committees having these multitudinous investigations on hand—the Interstate Commerce Committee and the Committee on Agriculture—is that the packers will buy a beef steer at the yards, slaughter it, take all the edible portion out, and sell it back to the same live-stock owner for less than they paid him for the steer. I have heard this challenged as an impossibility, but it is literally correct. There is no small packer who can do it. They make enough out of the other parts of the steer. I suppose the committee will pursue that in detail. I hope they will. The leather, the horns, the bones, the hair, the sinews, the muscles that are not available for meat purposes are converted into merchandise.

The odds and ends of clippings are converted into tankage and made food for swine. Nearly all the harmony that bursts from the magnificent orchestras in the places of amusement in Washington comes from the entrails of animals slaughtered at the stockyards. The harmonious catgut fretted by the fingers of every dilettante in this country comes from the bowels of some of the animals that furnish the edible part of the meat to the Army and to the private consumer. There is a profit made on that. But the fiddle-string industry is open to everybody who wants to follow it. There is no trust. Anybody who knows how to make them can do so. I have not heard of any investigation of that in the committee as yet. It is so with everything else.

I find some criticism in the Federal Trade Commission about the dividends paid by the Central Leather Co. It is said that some of the packers are large stockholders in that company. Regulate it? I have no objection to regulating it. I will vote almost to the limit for regulation of all the large concerns in my immediate constituency. I have no feeling in the matter. I can not have any prejudice for them. I will not permit myself to have any prejudice against them simply because they are large. I do not wish now to discuss that question, but I am growing infinitely weary of the attacks upon the packers. I propose to defend them in this body sufficiently to see that they have justice done to them. I propose to vote for all reasonable regulation of the packers and all the publicity possible connected with their business. I do not know of anything in this country recently, or within the last 15 years, that has had more publicity, with investigation heaped upon investigation, committee investigations one after the other, in State legislatures, in the House, and in the Senate, prosecutions upon indictments by grand juries, findings, ex parte and otherwise, of various public officials, followed by that of the Trade Commission, until I have come to the conclusion it is time that these enterprises have justice done to them in like manner as the small ones. I will take that up when the report of the committee is before the Senate in the proper way, at due length for whatever the merits of the case may justify.

But, Mr. President, speaking of dividends upon profits, referred to only inferentially and only incidentally as a part of this discussion, the United States Steel Co., the Inland Steel Co., the various subsidiary concerns handling iron and steel products, leather concerns, companies handling boots, shoes, Cavalry saddles, and all the military paraphernalia made from leather have paid substantial dividends. Woolen companies manufacturing woolen fabrics have paid large dividends. Cotton spinners and other factories fabricating cloth have paid large dividends. Telephone companies have paid dividends, and the cable companies have done likewise.

I wish to take time by the forelock now and say that Theodore N. Vail, who is Mr. Burleson's assistant, is more interested in unloading the American Telegraph & Telephone Co. upon the United States than he is in the ultimate effect it will have upon the morale of the American people after it is done. He is interested in and has been interested in this scheme for several years, and Mr. Burleson knows it. He is a Bolshevik in the telephone, telegraph, and cable world in disguise. He ought not to sail in Washington under any false colors. His views are generally known. He believes in Government ownership for the American Telegraph & Telephone Co., because it is the best prospect of unloading that he sees in the immediate future. The public have not taken very kindly to telephone stock concerned in that investment, and so he sees a possible purchaser in the Government. That is the reason why he and Mr. Burleson have found themselves to be kindred spirits and are engaged in a common enterprise, though from entirely different motives. Mr. Vail undertook to gather in all forms of wire communication on land and sea into his company. He failed. He now, with Burleson, is trying the same thing in the name of the Government.

President Wilson in his cable message the other day said:

Bolshevism is steadily advancing westward from Russia. It is poisoning Germany. It can not be stopped by force, but it can be stopped by food, and all the leaders with whom I am in conference agree that concerted action in this matter is of immediate and vital importance.

I do not propose, for my part, to feed the organized crime of any country in order to stop its advance. Part of this money, under the existing form of the bill, will go to these people. There is only one cure for Bolshevism, and that is military force. It is the same kind of force they use, and like must meet like.

Feed them? They have exhausted themselves, just as the German exhausted himself trying to murder and rob his neighbors. They now find themselves in a starving condition. Their victims, if they can be reached, ought to be the object of our national charity; but to put food in the area where such blood-thirsty vagrants can seize it will only be to nourish and strengthen their arms to destroy our forces now in the vicinity of Archangel.

This is a harsh law, but they are reaping as they sowed. Before one dollar of this be voted to that element or put in a place where it is possible they may seize it they who have brought such calamity on Russia ought to die by the pangs of famine. They have brought that harsh judgment upon themselves by their violence, the disorder they have created, and the crimes they have committed.

Mr. PENROSE. Mr. President, at the suggestion of some Senators in my vicinity I have modified my amendment and I will ask the chairman of the committee to accept it, in order that it may go to conference for consideration there.

I realize that perhaps the original amendment is rather loosely drawn and is subject to a good deal of misconception and misunderstanding. I only wanted to draw attention to the point that if the United States Government, by reason of price fixing, had a large surplus on hand in storehouses it was only reasonable that their contribution of wheat should come from this wheat already in their custody. I will therefore modify the amendment so as to read as follows:

And provided further, That so far as said fund shall be expended for the purchase of wheat to be donated, preference shall be given to grain grown in the United States.

Mr. MARTIN of Virginia. Mr. President, without meaning to indicate that I am in accord with that amendment, I am very willing that it may be adopted and go to conference.

Mr. PENROSE. I will offer it as a substitute, then, to go to conference.

Mr. THOMAS. Mr. President, until I inquire into the amendment somewhat further, I shall object to it. I may not do so to-morrow.

Mr. PENROSE. I will offer it as a substitute, then, and let it be printed.

The PRESIDING OFFICER (Mr. TRAMMELL in the chair). The amendment is offered as a substitute and will be printed.

Mr. REED. Mr. President, may it be stated from the desk? The Senator read it, but where I sat it was impossible to quite hear it. I should like to have it read.

The PRESIDING OFFICER. The request is made that the amendment may be stated by the Secretary. The Secretary will state the amendment.

The SECRETARY. On page 2, line 10, after the word "session," it is proposed to insert:

And provided further, That so far as said fund shall be expended for the purchase of wheat to be donated, preference shall be given to grain grown in the United States.

Mr. THOMAS. Mr. President, I will withdraw my objection.

Mr. PENROSE. Very well. I do not wish to delay the bill. Then, as I understand, the amendment is accepted by the chairman of the committee.

Mr. MARTIN of Virginia. I am very willing that it be accepted, but I do not wish to be misunderstood as expressing myself in accord with it. It shall go to conference, however.

Mr. PENROSE. I understand.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Pennsylvania, as modified.

The amendment as modified was agreed to.

Mr. MARTIN of Virginia. Mr. President, I move that the Senate take a recess until 11 o'clock to-morrow morning.

Mr. POMERENE. Will the Senator withhold the motion for a few moments?

Mr. MARTIN of Virginia. Certainly.

SENATOR FROM MICHIGAN.

Mr. POMERENE. Mr. President, I rise to a question of personal privilege. I send to the desk and ask that the Secretary read three paragraphs which I have marked with a pencil. If Senators desire the whole article read, I would prefer to have it so read. It relates to the proceedings pending before the Committee on Privileges and Elections in connection with the Michigan senatorial contest. I ask that it may be read as I have indicated, and after it is read I shall have a brief statement to make.

The PRESIDING OFFICER (Mr. GAY in the chair). The Secretary will read as requested.

The Secretary read the three paragraphs which appear below. Mr. POMERENE. Mr. President, the Secretary, at my suggestion, has read only a portion of the article. I ask that the whole article, including the headlines, be printed in the RECORD.

The PRESIDING OFFICER. Without objection, that will be done.

The article referred to is as follows:

FORD MEN TRY TRICK INQUIRY—POMERENE ATTEMPTS TO SMUGGLE PROBE RESOLUTION THROUGH DESERTED SENATE—SOLITARY REPUBLICAN HALTS SNAP ACTION—NEWBERRY FORCES PLEDGE ALL AID TO PRESERVE EVIDENCE IN PRIMARY FIGHT.

[From the Washington bureau of the Detroit Free Press.]

WASHINGTON, January 17.

Two examples came to light to-day in Washington of the lengths to which the Democratic Party, or some of its members, are prepared to go to overrule the verdict of the Michigan voters in electing Truman H. Newberry to the Senate.

Just before the Senate adjourned this afternoon Senator POMERENE, of Ohio, Democratic chairman of the Committee on Privileges and Elections, rose in the Chamber, which was almost deserted, and offered a resolution, which he tried to smuggle through and to have passed without reading. It happened that Senator FRELINGHUYSEN, Republican, from New Jersey, was listening, and he promptly demanded that the resolution be read, and upon hearing it objected to its consideration, thus sending it over for the day. It was thereupon referred to the Committee on Privileges and Elections.

Both Senators SMITH and TOWNSEND had left the Chamber before the Ohio chairman made his move. In fact, hardly a handful of Senators were on hand, and but for the faithfulness of Senator FRELINGHUYSEN the resolution would have been adopted.

WOULD GIVE FULL POWER.

The resolution gives authority to the Committee on Privileges and Elections, or any subcommittee thereof, to take possession of all ballots, poll books, tally sheets, and other documents and records connected with the Michigan senatorial election, and directs the committee or a subcommittee thereof to proceed with all convenient speed to take all necessary steps for the preservation of evidence as to the various matters alleged in the petition of Henry Ford and of any alleged fraud, irregularity, and unlawful expenditure of money in the election and primary, and as to intimidation of voters and other facts affecting the result of the election.

The committee or subcommittee is authorized to sit during the sessions of the Senate or during any recess of the Senate or of Congress, at any place and time, and to exercise the usual powers of congressional probing committees in the way of authority to compel testimony. It would also take possession of and hold disputed ballots.

A preamble sets forth that information has been received that in certain localities in Michigan some of the ballots are being destroyed and others likely to be destroyed "unless they are taken possession of by the Senate for the purpose of preserving and recounting the same."

POMERENE ACTS ALONE.

Chairman POMERENE's action in thus attempting to smuggle through the resolution was taken without authority from his committee, which met this morning and adjourned until to-morrow morning after hearing counsel for both parties to the contest. It will come as a surprise to members of the committee, both Republican and Democratic, as they supposed when they left the committee room that the matter was put over until the morning session and nothing would be done in regard to it.

The prediction is made to-night that POMERENE's course will tend to alienate his Democratic colleagues on the committee and will further diminish the chances of getting action by the present Senate, a majority of the committee having heretofore voted that the contest did not come within the jurisdiction of this session.

The other action that disclosed the determination of the Ford supporters to snatch every advantage, fair and unfair, in behalf of their candidate, was taken by Alfred Lucking at the hearing before the committee this morning.

The hearing was held under a resolution adopted by the committee last Wednesday by which an invitation was extended to the parties and their counsel to appear to-day and confer upon means of proving the evidence relating to the election.

LUCKING MAKES A SPEECH.

This was all the invitation included, but as soon as he got an opportunity to speak Lucking started on a lengthy harangue dealing with every detail of the reiterated allegations of fraud and intimidation and proceeded to make a fiery speech about everything conceivable except the preservation of the ballots.

The purpose of his proceeding became evident soon. A manifold copy of his speech was sent to the Senate press gallery and put at the disposal of newspaper correspondents with the plan that it would thus get nation-wide circulation and the Ford allegations would find a hearing everywhere.

H. E. Bodman, of Detroit, counsel for Newberry, followed the Lucking outburst with a flat-footed denial of every allegation of fraud or impropriety in the election. He told the committee that he did not intend to do more than deny them at this stage of the matter, as they were not properly before the committee under the resolution which called the meeting, but that at the proper time the charges that have been given such widespread circulation would be fully met and refuted in every detail.

NEWBERRY TO AID PROBE.

The matter before the committee, he said, was the best method of preserving the ballots, and in this Newberry supporters were ready to aid in every way possible. It is a subject, he contended, solely within the field of the legislature of the State. A bill is being put through the legislature as speedily as possible for the purpose and the governor will sign it as soon as it is passed. The ballots have been destroyed in three cities already, Marquette, Port Huron, and Saginaw. In two of these cities elections were held in December and the boxes were needed, while in the other the election officials followed the usual procedure under the law of the State.

"Mr. Ford has publicly declared that he would not seek a recount, and there was no reason for doing otherwise than is always done in the State with election ballots," said Mr. Bodman.

The committee voted to have its meetings open to the public hereafter and adjourned until to-morrow morning. Afterwards Chairman POMERENE made his effort to get snap judgment in the Senate.

It developed during the hearing this morning that one of the cities where the ballots were destroyed, Saginaw, was carried by Ford in the election. The fact furnished a curious commentary on the heated accusations of Lucking that the destruction of ballots was a partisan trick.

Mr. POMERENE. Mr. President, in view of the statements made in this article, I desire to make a brief statement.

The resolution was prepared by myself, I think either Saturday or perhaps Monday preceding the Thursday on which we had a meeting with regard to this contest. On January 14, which was last Tuesday, there was a meeting of the committee. I had instructed the clerk of the committee to prepare copies of the resolution and lay them before the members of the committee. I am told they were on the table at that time. On Tuesday, instead of taking any action, the Senator from Missouri [Mr. REED] introduced the following resolution in the committee, which was adopted:

Resolved, That the Hon. Henry Ford and the Hon. Truman H. Newberry, either in person or by their attorneys, be invited to appear before the committee on Friday, January 17, 1918, at 10.30 o'clock a. m. to advise with the committee relative to the steps necessary to be taken to preserve the evidence in the election contest of the said Henry Ford.

We then adjourned to meet on Friday at 10.30 o'clock. At that time copies of this resolution, which is now known as Senate resolution 415, were on the table before each member of that committee. After a conference, lasting for perhaps an hour or an hour and a half, the committee recessed until the afternoon. In the afternoon we again recessed until Saturday morning. Meanwhile, in order that this resolution might be formally before the committee, I decided that I would offer the resolution in the Senate and ask to have it referred to the committee.

On Friday evening, because of engagements I had at my office, I was not able to be in the Chamber. I thereupon asked my colleague on the committee, the Senator from Arizona [Mr. ASHURST], to offer this resolution for me. The RECORD for January 17, page 1607, shows this:

Mr. ASHURST. At the request of the senior Senator from Ohio [Mr. POMERENE], chairman of the Committee on Privileges and Elections, who has just been called from the Chamber, and on his behalf, I offer the resolution which I send to the desk and ask that it be referred to the Committee on Privileges and Elections.

Mr. FRELINGHUYSEN. I ask that the resolution just submitted be read by title.

The PRESIDING OFFICER. Without objection, the resolution will be read.

Though the RECORD itself does not show it, the Journal shows this:

Mr. ASHURST (for Mr. POMERENE) submitted the following resolution, which was referred to the Committee on Privileges and Elections.

The article from this paper says that I rose, that I presented the resolution, and that I tried to smuggle it through the Senate in the absence of the Senators from Michigan.

I submit that the young man who wrote that article is not fit to associate with newspaper men. I submit further that if any newspaper published that article knowing the facts that paper is not fit to circulate. My belief is that, if this be a reputable paper, when it finds out what the facts are, if it

does not know them now, it will make a retraction, will apologize for this article, and will dismiss that young man from its service.

I felt that I owed this statement to the Senate.

Mr. TOWNSEND. Mr. President, on the evening that this resolution was introduced for the Senator from Ohio [Mr. POMERENE] by the Senator from Arizona [Mr. ASHURST] I had just left the Senate Chamber a few minutes before. I received a telephone call from some one telling me that such a resolution had been introduced; that immediate consideration had been asked for it, but that Senator FRELINGHUYSEN had requested that it be read, and that the matter went over.

I was also informed that a copy of the resolution would be sent up to my room in a short time. Meanwhile I called up the Senator from New Jersey, and he stated to me the exact facts as the RECORD discloses them. So, of course, the statement of the Senator from Ohio is absolutely correct. There was no foundation of fact for the statement that any unusual or improper methods were employed by the Senator from Ohio, but, as I say, that was not the first report that came to me. How the misunderstanding arose I do not know. I do not believe that it was intentional.

Mr. POMERENE. Mr. President, I am very much obliged to the junior Senator from Michigan for making that statement. The facts are as I have given them, and that is all I care to say on the subject at this time.

RECESS.

Mr. MARTIN of Virginia. I move that the Senate take a recess until 11 o'clock a. m. to-morrow.

The motion was agreed to; and (at 5 o'clock and 25 minutes p. m.) the Senate took a recess until to-morrow, Tuesday, January 21, 1919, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

MONDAY, January 20, 1919.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Infinite Spirit, Thy divine influence guided our fathers in the formation of our Republic, which, through all the vicissitudes of the past, has grown strong and prosperous. Its gates have been thrown wide open for the depressed and downtrodden of all peoples. We have received all comers and made them welcome.

But a class have grown up among us and become a menace to good government, and are seeking by nefarious methods to undermine the sacred principles we love; and we pray that they may be given to understand by our authorities that they are not wanted in this country; that the American flag is the only flag that we recognize and hold sacred.

If they can not conform to our methods, our Government, then, in God's name, let them depart from among us that we may continue to live in peace and prosperity. In Christ's name. Amen.

The Journal of the proceedings of Saturday, January 18, 1919, and of Sunday, January 19, 1919, was read and approved.

THE CENSUS.

Mr. HOUSTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the census bill, disagree to the amendments of the Senate, and agree to the conference asked for by the Senate.

The SPEAKER. The gentleman from Tennessee asks unanimous consent to take from the Speaker's table the census bill, of which the Clerk will report the title.

The Clerk read the title of the bill (H. R. 11984) to provide for the Fourteenth and subsequent decennial censuses.

The SPEAKER. The gentleman from Tennessee asks unanimous consent to disagree to the Senate amendments and agree to request for a conference.

Mr. MANN. Mr. Speaker, reserving the right to object, personally I have not examined the Senate amendments, but I heard that the Senate had incorporated an amendment providing for the selection of census employees through the Civil Service Commission under the merit system. Is that correct?

Mr. HOUSTON. I think a large number of them are to be selected in that way, in accordance with the amendment adopted by the Senate. It provides that the supervisors shall be appointed upon civil-service examination.

Mr. MANN. Is it just the supervisors?

Mr. HOUSTON. It does not apply to the enumerators. Perhaps most of the other employees are to be selected under the civil-service rules.

Mr. MANN. I have not read the amendment in the RECORD, and I think the bill has not yet been printed in the House.

Mr. STAFFORD. The bill has been printed with the Senate amendments numbered.

Mr. MANN. Then it has come in this morning. I have not seen it.

Mr. STAFFORD. I will say for the information of the gentleman that the civil-service requirement in the amendment added by the Senate provides only for the additional clerks and employees provided by section 6, which refers to the clerical force required in the compilation of the census and not to the field force.

Mr. HOUSTON. As I understand it, it applies to the supervisors, but not to the enumerators.

Mr. STAFFORD. I got this bill only this morning. I have the bill before me. As I read it, it applies merely to the clerical force and not to the field force.

Mr. MANN. I am under the impression that the Senate agreed to an amendment providing for the appointment of supervisors by the President, to be confirmed by the Senate. I am not sure.

Mr. HOUSTON. Also, with a proviso that it shall be after they have taken a civil-service examination.

Mr. MANN. I really can not see, if they are to be appointed by a civil-service examination, why they need to be named by the President and confirmed by the Senate. Did the House bill, as it passed the House, contain any provision for the appointment of the census clerks through the Civil Service Commission?

Mr. HOUSTON. All of them, as I understand it.

Mr. STAFFORD. I beg the gentleman's pardon.

Mr. HOUSTON. I was not here when that bill passed, but as it was reported to the House it contained that provision.

Mr. STAFFORD. The gentleman from Kentucky [Mr. HELM] was in charge of the bill when it passed the House.

Mr. HOUSTON. Yes.

Mr. STAFFORD. A strong effort was made at that time to bring them within the civil-service requirements of existing law. That effort was resisted by the other side and was unsuccessful.

Mr. MANN. Mr. Speaker, I have no objection to the census bill going to conference as soon as possible, but I think the House is entitled to a vote upon this provision in the Senate amendment, that these clerks in the Census Office shall be selected through the merit system and not as a political propaganda.

Mr. LANGLEY. That is right.

Mr. MANN. I am perfectly willing that the vote upon that proposition shall be taken at any reasonable time; and if the gentleman from Tennessee will agree that the House conferees will either agree to the substance of the amendment, or bring that particular amendment back to the House for a vote upon it, I have no objection to the bill going to conference.

Mr. GARRETT of Tennessee. That request applies just to the office force, as I understand it, and not to the field force?

Mr. MANN. I do not know just what the Senate amendment is.

Mr. GARRETT of Tennessee. It does not apply to the field force.

Mr. MANN. I do not know what the Senate amendment covers, but what I have in mind is the office force.

Mr. MADDEN. In other words, the gentleman does not want that foreclosed.

Mr. HOUSTON. Mr. Speaker, if the conferees fail to reach an agreement on that—or, in any event, I can not see any objection to having a separate vote on that question, so far as applies to this office force.

Mr. MANN. I did not hear the gentleman.

Mr. HOUSTON. I can see no objection to a separate vote upon that proposition with regard to the office force.

Mr. MANN. Of course there can be no reason why there should be an objection to it, but will there be an opportunity for a separate vote?

Mr. HOUSTON. It strikes me as a little premature to ask for a separate vote now, although I have no objection to a separate vote.

Mr. MANN. If it is premature, then I will ask the gentleman to let this go over until to-morrow morning.

Mr. MADDEN. If there is no agreement on that, we will not let this bill go to conference.

Mr. FOSTER. I think the gentleman will find, on page 10 of the bill, that it is amendment 25 which provides how the addi-